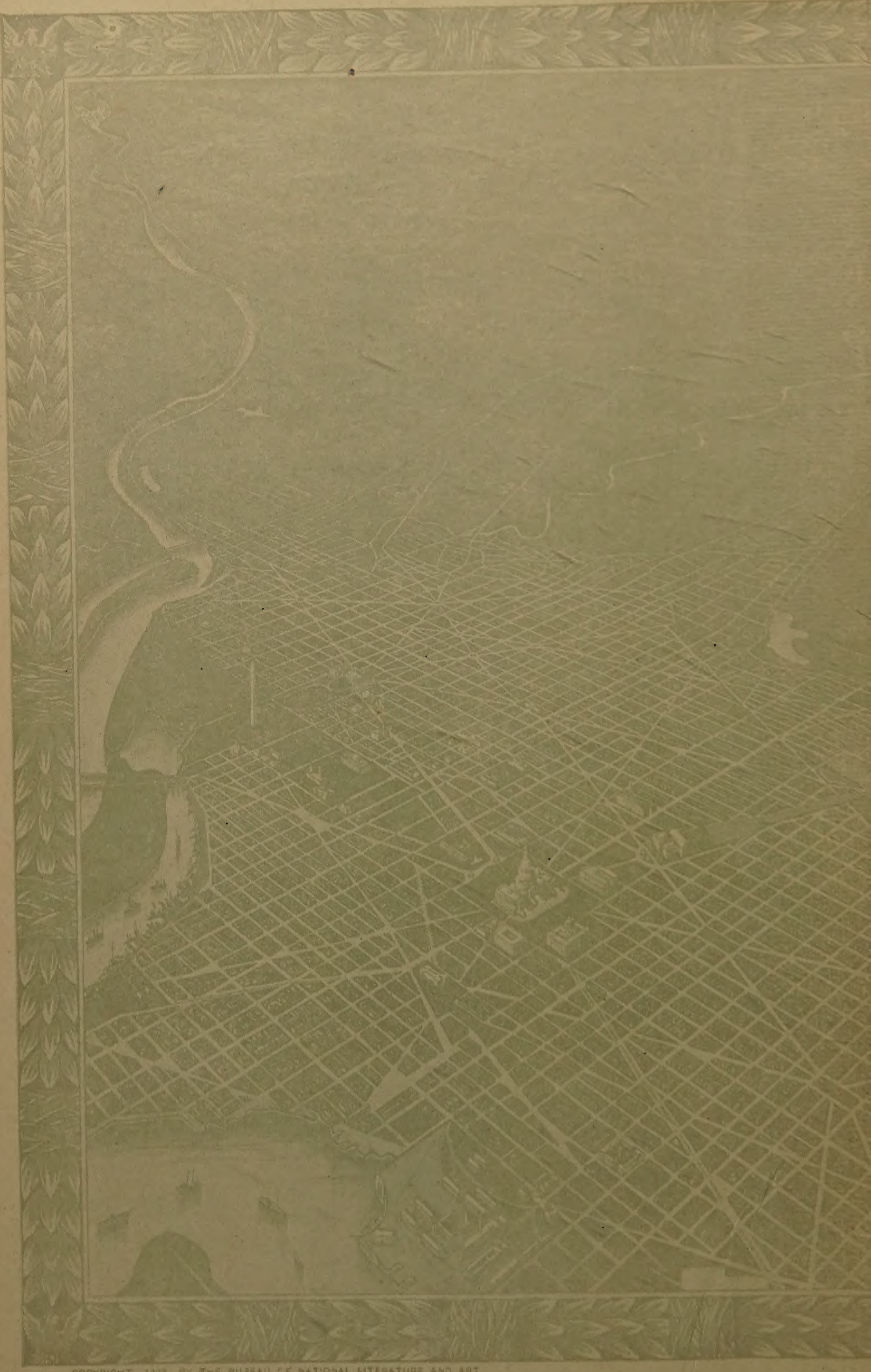
THE PRESIDENTS



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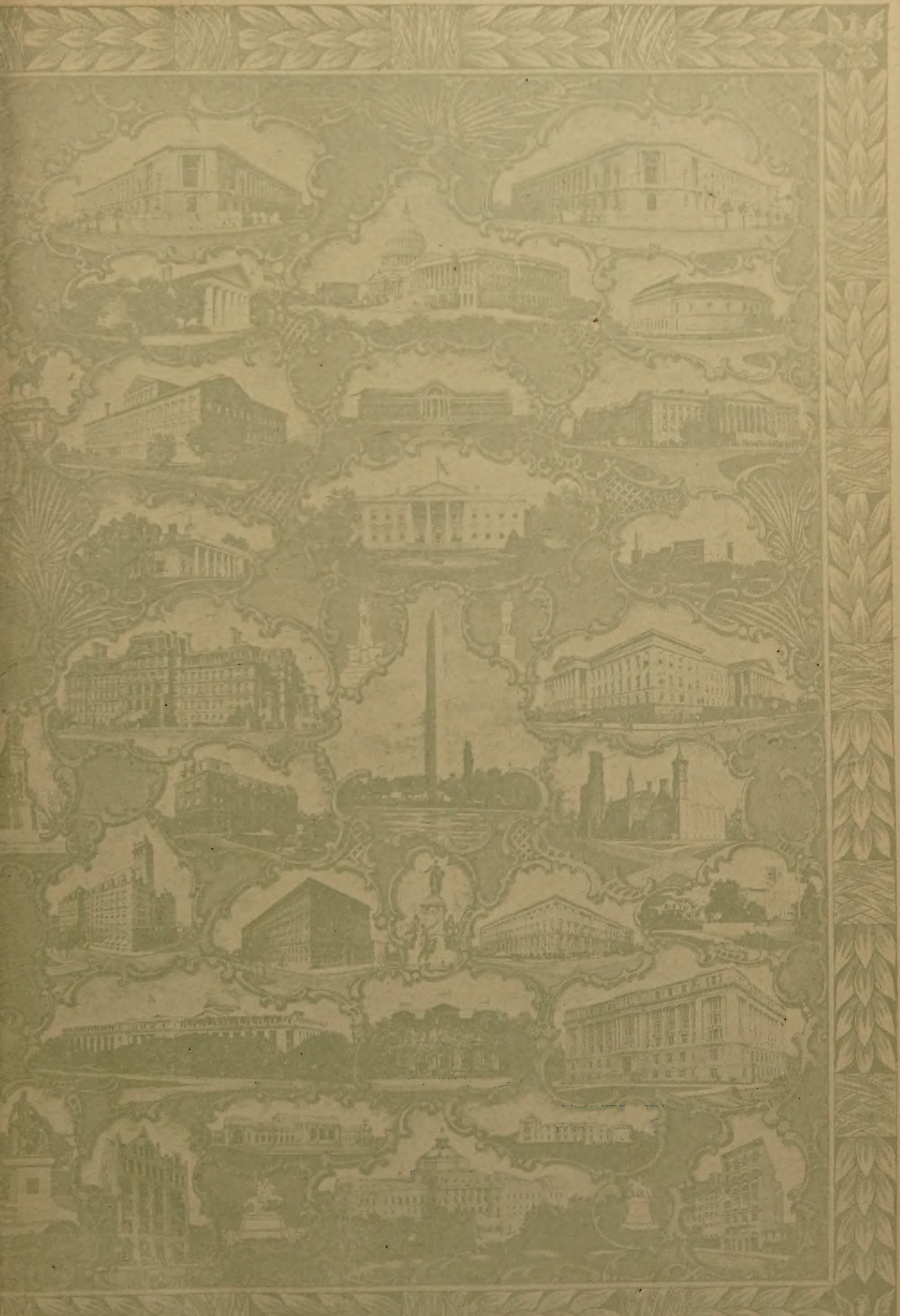

P. Otelia Pearson.
Los Angeles.
Calif.

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White House

A COMPILATION
OF THE
MESSAGES AND PAPERS
OF THE
PRESIDENTS

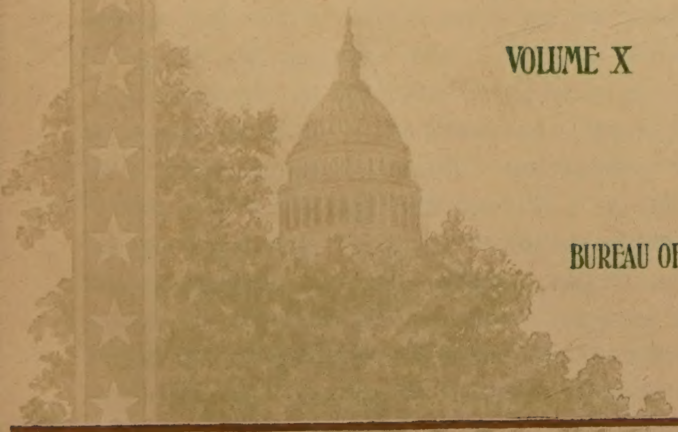
BY

JAMES D. RICHARDSON

A Representative from the State of Tennessee

(WITH ADDITIONS)

VOLUME X



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1911

Prefatory Note

This volume closes the task, entered upon by me in April, 1895, of compiling all the official papers of the Presidents. Instead of finding it the labor of a year, as I supposed it would be when I undertook it, the work has occupied me closely for more than four years. A great portion of this time has been consumed in the preparation of the Index. The Index is mainly the work of my son, James D. Richardson, jr., who prepared it with such assistance as I could give him. He has given his entire time to it for three years. Every reference in it has been examined and compared with the text by myself. We have endeavored to make it full, accurate, and comprehensive, with numerous cross references. There will be found in this Index a large number of encyclopedic articles, which are intended, in part at least, to furnish the reader definitions of politico-historical words and phrases occurring in the papers of the Chief Magistrates, or to develop more fully questions or subjects to which only indirect reference is made or which are but briefly discussed by them. There will also be found short accounts of several hundred battles in which the armies of the United States have been engaged; also descriptions of all the States of the Union and of many foreign countries. We have striven earnestly to make these encyclopedic articles historically correct, and to this end have carefully compared them with the most eminent authorities. This feature was not within the scope of the work as contemplated when the resolution authorizing the compilation was passed, nor when the act was passed requiring the preparation of the Index; but with the approval of the Joint Committee on Printing I have inserted the articles, believing that they would be of interest. They contain facts and valuable information not always easily accessible, and it is hoped that they will serve to familiarize the young men of the country who read them with its history and its trials and make of them better citizens and more devoted lovers of our free institutions. There has been no effort or inclination on my part to give partisan bias or political coloring of any nature to these articles. On the other hand, I have sought only to furnish reliable historical data and well-authenticated definitions and to avoid even the appearance of an expression of my own opinion. It is proper to add that these articles have all been read and approved by Mr. A. R. Spofford, Chief Assistant Librarian of Congress, to whom I now make acknowledgment of my indebtedness.

In pursuance of the plan originally adopted certain papers were omitted from the earlier volumes of this work. Referring to these papers, the following statement occurs in the Prefatory Note to Volume I: "In executing the commission with which I have been charged I have sought to bring together in the several volumes of the series all Presidential proclamations, addresses, messages, and communications to Congress excepting those nominating persons to office and those which simply transmit treaties, and reports of heads of Departments which contain no recommendation from the Executive."

I have been greatly assisted in the work of compilation by Mr. A. P. Marston, of the Proof Room of the Government Printing Office. Without his valuable assistance in searching for and obtaining the various papers and his painstaking care in the verification of data the work would not have been so complete. Mr. Charles T. Hendler, of the State Branch of the Government Printing Office, rendered timely aid in procuring proclamations from the archives of the State Department. To these gentlemen I make proper acknowledgments.

The work has met with public favor far beyond all expectations, and words of praise for it have come from all classes and callings. Those who possess it may be assured that they have in their libraries all the official utterances of the Presidents of the United States from 1789 to 1897 that could possibly be found after the most diligent search, and that these utterances are not to be found complete in any other publication.

I close by quoting from the Prefatory Note to Volume I: "If my work shall prove satisfactory to Congress and the country, I will feel compensated for my time and effort."

JAMES D. RICHARDSON.

NOTE.

The pages of "The Messages and Papers of the Presidents" have been renumbered from page one to the end, and the division into volumes has been altered. This plan is required by the addition of new matter and the desirability of keeping the volumes as nearly uniform in size as possible.

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Excepting from the force and effect of this proclamation all lands which may have been, prior to the date hereof, embraced in any legal entry or covered by any lawful filing duly of record in the proper United States Land Office, or upon which any valid settlement has been made pursuant to law, and the statutory period within which to make entry or filing of record has not expired: *Provided,* that this exception shall not continue to apply to any particular tract of land unless the entryman, settler or claimant continues to comply with the law under which the entry, filing or settlement was made.

The lands hereby excluded from the reserve and restored to the public domain shall be open to settlement from the date hereof, but shall not be subject to entry, filing or selection until after ninety days' notice by such publication as the Secretary of the Interior may prescribe.

Warning is hereby expressly given to all persons not to make settlement upon the lands reserved by this proclamation.

In witness whereof, I have hereunto set my hand and caused the seal of the United States to be affixed.

[SEAL.] DONE at the City of Washington this 5th day of June, in the year of our Lord one thousand nine hundred and five, and of the Independence of the United States the one hundred and twenty-ninth.

By the President: THEODORE ROOSEVELT.

FRANCIS B. LOOMIS,
Acting Secretary of State.

BY THE PRESIDENT OF THE UNITED STATES OF AMERICA.

A PROCLAMATION.

Whereas, it is provided by section twenty-four of the Act of Congress, approved March third, eighteen hundred and ninety-one, entitled, "An act to repeal timber-culture laws, and for other purposes", "That the President of the United States may, from time to time, set apart and reserve, in any State or Territory having public land bearing forests, in any part of the public lands wholly or in part covered with timber or undergrowth, whether of commercial value or not, as public reservations, and the President shall, by public proclamation, declare the establishment of such reservations and the limits thereof";

And whereas, the public lands in the State of Idaho, within the limits hereinafter described, are in part covered with timber, and it appears that the public good would be promoted by setting apart and reserving said lands as a public reservation;

Now, therefore, I, THEODORE ROOSEVELT, President of the United States, by virtue of the power in me vested by section twenty-four of the aforesaid Act of Congress, do hereby make known and proclaim that there are hereby reserved from entry or settlement and set apart as a Public Reservation all those certain tracts, pieces or parcels of land lying and being situate in the State of Idaho and particularly described as follows:

Beginning at the north-west corner of Township thirteen (13) South, Range twenty-one (21) East, Boise Base and Meridian, Idaho; thence southerly to the north-west corner of Section eighteen (18), said township; thence easterly to the north-east corner of said section; thence southerly to the south-east corner of said section; thence easterly to the north-west corner of Section twenty-two (22), said township; thence southerly to the south-west corner of Section thirty-four (34), said township; thence easterly to the north-east corner of the north-west quarter of Section three (3), Township fourteen (14) South, Range twenty-one (21) East; thence southerly to the south-east corner of the south-west quarter of Section three (3), Township fifteen (15) South, Range twenty-one (21) East; thence westerly to the south-west corner of said section; thence southerly to the south-east corner of Section nine (9), Township sixteen (16) South, Range twenty-one (21) East; thence westerly to the south-west corner of Section seven (7), said township; thence southerly to the south-east corner of Section twenty-five (25), Township sixteen (16) South, Range twenty (20) East; thence westerly to the north-east corner of Section thirty-three (33), said township; thence southerly to the boundary line between the States of Idaho and Nevada; thence westerly along said state boundary line to the south-west corner of fractional Section thirty-three (33), Township sixteen (16) South, Range eighteen (18) East; thence northerly to the north-west corner of Section four (4), said township; thence westerly to the north-west corner of said township; thence northerly to the south-east corner of Section twenty-five (25), Township fourteen (14) South, Range seventeen (17) East; thence westerly to the south-west corner of Section twenty-seven (27), said township; thence northerly to the north-west corner of Section three (3), said township; thence westerly to the south-west corner of Section thirty-three (33), Township thirteen (13) South, Range seventeen (17) East; thence northerly to the north-west corner of Section four (4), said township; thence easterly along the Second (2nd) Standard Parallel South to the north-west corner of Township thirteen (13) South, Range twenty-one (21) East, the place of beginning; such of the above-named corners as have not been established by the official surveys being intended to be located at the points where such corners would fall in projecting the surveys in the directions indicated without allowing for any irregularities which may occur in actually extending the surveys;

Excepting from the force and effect of this proclamation all lands which may have been, prior to the date hereof, embraced in any legal entry or covered by any lawful filing duly of record in the proper United States Land Office, or upon which any valid settlement has been made pursuant to law, and the statutory period within which to make entry or filing of record has not expired: *Provided*, that this exception shall not continue to apply to any particular tract of land unless the entryman, settler or claimant continues to comply with the law under which the entry, filing or settlement was made.

Warning is hereby expressly given to all persons not to make settlement upon the lands reserved by this proclamation.

The reservation hereby established shall be known as the Cassia Forest Reserve.

In witness whereof, I have hereunto set my hand and caused the seal of the United States to be affixed.

[SEAL.] DONE at the City of Washington this 12th day of June, in the year of our Lord one thousand nine hundred and five, and of the Independence of the United States the one hundred and twenty-ninth.

THEODORE ROOSEVELT.

By the President:

FRANCIS B. LOOMIS,
Acting Secretary of State.

BY THE PRESIDENT OF THE UNITED STATES OF AMERICA.

A PROCLAMATION.

Whereas, it is provided by section twenty-four of the Act of Congress, approved March third, eighteen hundred and ninety-one, entitled, "An act to repeal timber-culture laws, and for other purposes", "That the President of the United States may, from time to time, set apart and reserve, in any State or Territory having public land bearing forests, in any part of the public lands wholly or in part covered with timber or undergrowth, whether of commercial value or not, as public reservations, and the President shall, by public proclamation, declare the establishment of such reservations and the limits thereof";

And whereas, the public lands in the State of Colorado, within the limits hereinafter described, are in part covered with timber, and it appears that the public good would be promoted by setting apart and reserving said lands as a public reservation;

Now, therefore, I, THEODORE ROOSEVELT, President of the United States, by virtue of the power in me vested by section twenty-four of the aforesaid Act of Congress, do hereby make known and proclaim that there are hereby reserved from entry or settlement and set apart as a Public Reservation all those certain tracts, pieces or parcels of land lying and being situate in the State of Colorado, and within the boundaries particularly described as follows:

Beginning at the north-east corner of Section twenty-one (21), Township nineteen (19) South, Range seventy-one (71) West, Sixth (6th) Principal Meridian, Colorado; thence easterly to the north-west corner of Section nineteen (19), Township nineteen (19) South, Range seventy (70) West; thence southerly to the south-west corner of the north-west quarter of said section; thence easterly to the north-east corner of the south-east quarter of said section; thence southerly to the south-east corner of said section; thence easterly to the north-east corner of Section twenty-nine (29), said township; thence southerly to the south-west corner of Section thirty-three (33), said township; thence easterly to the south-east corner of said section; thence southerly to the south-west corner of Section fifteen (15), Township twenty (20) South, Range seventy (70) West; thence easterly to the south-east corner of the south-west quarter of said section; thence southerly to the south-west corner of the south-east quarter of Section twenty-seven (27), said township; thence easterly to the north-west corner of Section thirty-six (36), said township; thence southerly to the south-west corner of said section; thence easterly to the north-west corner of Township twenty-one (21) South, Range sixty-nine (69) West; thence southerly to the north-west corner of Section seven (7), said township; thence easterly to the north-east corner of said section;

thence southerly to the south-east corner of said section; thence easterly to the north-east corner of Section seventeen (17), said township; thence southerly to the south-east corner of said section; thence easterly to the north-east corner of the north-west quarter of Section twenty-one (21), said township; thence southerly to the south-west corner of the south-east quarter of said section; thence easterly to the north-east corner of Section thirty (30), Township twenty-one (21) South, Range sixty-eight (68) West; thence southerly to the south-east corner of said section; thence easterly to the north-east corner of Section thirty-three (33), said township; thence southerly to the south-east corner of said section; thence easterly to the north-east corner of the north-west quarter of Section three (3), Township twenty-two (22) South, Range sixty-eight (68) West; thence southerly to the south-east corner of the south-west quarter of Section twenty-seven (27), said township; thence westerly to the north-west corner of Section thirty-three (33), said township; thence southerly to the south-west corner of Section twenty-one (21), Township twenty-three (23) South, Range sixty-eight (68) West; thence easterly to the north-east corner of Section twenty-seven (27), said township; thence southerly to the south-east corner of Section thirty-four (34), said township; thence westerly to the south-west corner of said section; thence southerly to the south-west corner of Section twenty-two (22), Township twenty-four (24) South, Range sixty-eight (68) West; thence easterly to the south-east corner of said section; thence southerly to the south-west corner of Section thirty-five (35), said township; thence easterly to the south-east corner of said section; thence southerly to the south-east corner of Section thirty-five (35), Township twenty-five (25) South, Range sixty-eight (68) West; thence westerly to the north-west corner of Section two (2), Township twenty-six (26) South, Range sixty-eight (68) West; thence southerly to the south-east corner of Section ten (10), said township; thence westerly to the south-west corner of said section; thence southerly to the south-east corner of Section twenty-one (21), said township; thence westerly to the south-west corner of Section twenty (20), said township; thence northerly to the south-east corner of Section six (6), said township; thence westerly to the south-west corner of said section; thence northerly to the north-west corner of said township; thence westerly to the south-west corner of Section thirty-six (36), Township twenty-five (25) South, Range sixty-nine (69) West; thence northerly to the south-east corner of Section fourteen (14), said township; thence westerly to the south-west corner of said section; thence northerly to the north-west corner of said section; thence westerly to the south-west corner of Section nine (9), said township; thence northerly to the north-west corner of said section; thence westerly to the north-west corner of Section eleven (11), Township twenty-five (25) South, Range seventy (70) West; thence southerly to the south-west corner of said section; thence westerly to the north-west corner of Section seventeen (17), said township; thence southerly to the south-east corner of Section nineteen (19), said township; thence westerly to the south-west corner of Section twenty-four (24), Township twenty-five (25) South, Range seventy-one (71) West; thence northerly to the north-west corner of Section twelve (12), said township; thence easterly to the north-east corner of said section; thence northerly to the south-west corner of Township twenty-four (24) South, Range seventy (70) West; thence easterly to the south-east corner of Section thirty-one (31), said township; thence northerly to the north-west corner of Section twenty-nine (29), said township; thence easterly to the north-east corner of said section; thence northerly to the north-west corner of Section twenty-one (21), said township; thence easterly to the south-east corner of Section fifteen (15), said township; thence northerly to the north-east corner of Section twenty-seven (27), Township twenty-three (23) South, Range seventy (70) West; thence westerly to the south-west corner of Section nineteen (19), said township; thence northerly to the north-west corner of said township; thence easterly to the north-east corner of Section five (5), said township; thence southerly to the south-west corner of Section nine (9), said township; thence easterly to the south-east corner of Section ten (10), said township; thence northerly to the north-east corner of said section; thence easterly to the south-east corner of Section one (1), said township; thence northerly to the south-west corner of Township twenty-two (22) South, Range sixty-nine (69) West; thence easterly to the south-east corner of Section thirty-one (31), said township; thence northerly to the north-east corner of Section thirty (30), said township; thence westerly to the north-west corner of said section; thence northerly to the north-east corner of Section twelve (12), Township twenty-two (22) South, Range seventy (70) West; thence westerly to the south-east corner of Section three (3), said township; thence northerly to the north-east corner of said section; thence westerly to the south-east corner of Section thirty-three (33), Township twenty-one (21) South, Range seventy (70) West; thence northerly to the north-east corner of the south-east quarter of said section; thence westerly to the south-west corner of the north-west quarter of said section; thence northerly to the north-east corner of Section twenty (20), said township; thence westerly to the north-west corner of said section; thence northerly to the south-east corner of Section six (6), said township; thence westerly to the south-west corner of said section; thence northerly to the north-west corner of said township; thence westerly to the south-west corner of the south-east quarter of Section thirty-six (36), Township twenty (20) South, Range seventy-one (71) West; thence northerly to the north-east corner of the north-west quarter of Section twenty-four (24), said township; thence westerly to the south-west corner of Section fifteen (15), said township; thence northerly to the north-east corner of Section nine (9), said township; thence westerly to the north-west corner of said section; thence northerly to the south-west corner of Section twenty-one (21), Township nineteen (19) South, Range seventy-one (71) West; thence easterly to the south-east corner of said section; thence northerly to the north-east corner of said section, the place of beginning;

Excepting from the force and effect of this proclamation all lands which may have been, prior to the date hereof, embraced in any legal entry or covered by any lawful filing duly of record in the proper United States Land Office, or upon which any valid settlement has been made pursuant to law, and the statutory period within which to make entry or filing of record has not expired: *Provided*, that this exception shall not continue to apply to any particular tract of land unless the entryman, settler or claimant continues to comply with the law under which the entry, filing or settlement was made.

Warning is hereby expressly given to all persons not to make settlement upon the lands reserved by this proclamation.

The reservation hereby established shall be known as The Wet Mountains Forest Reserve.

In witness whereof, I have hereunto set my hand and caused the seal of the United States to be affixed.

[SEAL.] DONE at the City of Washington this 12th day of June, in the year of our Lord one thousand nine hundred and five, and of the Independence of the United States the one hundred and twenty-ninth.

THEODORE ROOSEVELT.

By the President:

FRANCIS B. LOOMIS,
Acting Secretary of State.

BY THE PRESIDENT OF THE UNITED STATES OF AMERICA.

A PROCLAMATION.

Whereas, it is provided by section twenty-four of the Act of Congress, approved March third, eighteen hundred and ninety-one, entitled, "An act to repeal timber-culture laws, and for other purposes", "That the President of the United States may, from time to time, set apart and reserve, in any State or Territory having public land bearing forests, in any part of the public lands wholly or in part covered with timber or undergrowth, whether of commercial value or not, as public reservations, and the President shall, by public proclamation, declare the establishment of such reservations and the limits thereof";

And whereas, it is further provided by the Act of Congress, approved June fourth, eighteen hundred and ninety-seven, entitled, "An act making appropriations for sundry civil expenses of the Government for the fiscal year ending June thirtieth, eighteen hundred and ninety-eight, and for other purposes", that "The President is hereby authorized at any time to modify any Executive order that has been or may hereafter be made establishing any forest reserve, and by such modification may reduce the area or change the boundary lines of such reserve, or may vacate altogether any order creating such reserve";

And whereas, the public lands in the State of Colorado, within the limits hereinafter described, are in part covered with timber, and it appears that the public good would be promoted by setting apart and reserving said lands as a public reservation,

Now, therefore, I, THEODORE ROOSEVELT, President of the United States, by virtue of the power in me vested by the aforesaid acts of Congress, do hereby make known and proclaim that The San Isabel Forest Reserve, in the State of Colorado, established by proclamation of April eleventh, nineteen hundred and two, is hereby so changed and enlarged as to include all those certain tracts, pieces or parcels of land lying and being situate in the State of Colorado, and within the boundaries particularly described as follows:

Beginning at the north-west corner of Section twenty-two (22), Township forty-nine (49) North, Range eight (8) East, New Mexico Principal Meridian, Colorado; thence easterly to the north-east corner of Section twenty-one (21), Township forty-nine (49) North, Range nine (9) East; thence southerly to the south-west corner of Section twenty-seven (27), said township; thence easterly to the north-east corner of Section thirty-five (35), said township; thence southerly, allowing for the proper offset on the Twelfth (12th) Correction Line North, to the south-west corner of Section one (1), Township forty-eight (48) North, Range nine (9) East; thence easterly to the north-west corner of Section eight (8), Township forty-eight (48) North, Range ten (10) East; thence southerly to the south-west corner of the north-west quarter of said section; thence easterly to the north-east corner of the south-east quarter of said section; thence southerly to the south-west corner of the north-west quarter of Section sixteen (16), said township; thence easterly to the north-east corner of the south-east quarter of said section; thence southerly to the south-west corner of Section twenty-seven (27), said township; thence easterly to the south-east corner of said section; thence southerly to the south-west corner of Section two (2), Township forty-seven (47) North, Range ten (10) East; thence easterly to the north-east corner of Section twelve (12), said township; thence southerly to the south-east corner of said section; thence easterly to the north-east corner of the north-west quarter of Section seventeen (17), Township forty-seven (47) North, Range eleven (11) East; thence southerly to the south-west corner of the south-east quarter of said section; thence easterly to the north-west corner of Section twenty-four (24), said township; thence southerly to the south-west corner of said section; thence easterly to the south-east corner of said section; thence southerly to the south-west corner of Section thirty (30), Township forty-seven (47) North, Range twelve (12) East; thence easterly to the north-east corner of Section thirty-two (32), said township; thence southerly to the south-east corner of said section; thence easterly to the north-east corner of the north-west quarter of Section four (4), Township forty-six (46) North, Range twelve (12) East; thence southerly to the south-west corner of the south-east quarter of Section nine (9), said township; thence easterly to the south-east corner of said section; thence southerly to the south-west corner of Section twenty-seven (27), said township; thence easterly to the south-east corner of said section; thence southerly to the south-west corner of Section thirty-five (35), said township; thence easterly to the north-east corner of Section two (2), Township forty-five (45) North, Range twelve (12) East; thence southerly to the south-west corner of fractional Section twelve (12), said township; thence easterly to the south-east corner of said section; thence southerly to the south-west corner of the north-west quarter of Section thirty (30), Township twenty-two (22) South, Range seventy-three (73) West, Sixth (6th) Principal Meridian; thence easterly to the north-east corner of the south-east quarter of said section; thence southerly to the south-west corner of Section thirty-two (32), said township; thence easterly to the south-east corner of said section; thence southerly to the south-west corner of Section four (4), Township twenty-three (23) South, Range seventy-three (73) West; thence easterly to the north-east corner of the north-west quarter of Section nine (9), said township; thence southerly to the south-west corner of the south-east quarter of said section; thence easterly to the north-east corner of the north-west quarter of Section fifteen (15), said township; thence southerly to the south-west corner of the south-east quarter of Section twenty-two (22), said township; thence easterly to the north-east corner of Section twenty-six (26), said township; thence southerly to the south-west corner of Section thirty-six (36), said township; thence easterly to the north-east corner of Township twenty-four (24) South, Range seventy-three (73) West; thence southerly to the south-west corner of Section six (6), Township twenty-four (24) South, Range seventy-two (72) West; thence easterly to the south-east corner of the south-west quarter of said section; thence southerly to the south-west corner of the south-east quarter of Section eighteen (18), said township; thence easterly to the north-east corner of the north-west quarter of Section twenty (20), said township; thence southerly to the south-west corner of the south-east quarter of said section; thence easterly to the north-east corner of the north-west quarter of Section twenty-eight (28), said township; thence southerly to the south-west corner of the south-east quarter of Section thirty-three (33), said township; thence easterly to the north-west corner of Section two (2), Township twenty-five (25) South, Range seventy-two (72) West; thence southerly to the south-west corner of said section; thence easterly to the south-east corner of said section; thence southerly to the south-east corner of Section thirty-five (35), said township; thence westerly to the north-west corner of Section two (2), Township twenty-six (26) South, Range seventy-two (72) West; thence southerly to the south-east corner of Section twenty-two (22), said township; thence westerly to the north-west corner of the north-east quarter of Section twenty-eight (28), said township; thence southerly to the south-east corner of the north-west quarter of Section nine (9), Township twenty-seven (27) South, Range seventy-two (72) West; thence westerly to the south-west corner of the north-west quarter of said section; thence southerly to the north-east corner of Section thirty-two (32), said township; thence westerly to the north-west corner of said section; thence southerly to the south-west corner of said section; thence easterly to the south-east corner of the south-west quarter of Section thirty-five (35), said township; thence northerly to the north-west corner of the north-east quarter of said section; thence easterly to the north-east corner of the north-west quarter of Section thirty-four (34), Township twenty-seven (27) South, Range seventy-one (71) West; thence southerly along the quarter-section lines to the point of intersection with the northern boundary of the Sangre de Cristo Grant; thence in a general south-westerly direction along the boundary of said grant to the point of intersection with the section line between Sections fifteen (15) and sixteen (16), Township twenty-nine (29) South, Range seventy-three (73) West; thence northerly to the south-east corner of Section nine (9), said township; thence westerly to the south-west corner of said section; thence northerly to the north-west corner of Section twenty-eight (28), Township twenty-eight (28) South, Range seventy-three (73) West; thence easterly to the north-east corner of said section; thence northerly to the north-west corner of Section twenty-seven (27), Township twenty-seven (27) South, Range seventy-three (73) West; thence easterly to the north-east corner of said section; thence northerly to the north-west corner of Section two (2), said township; thence easterly to the south-east corner of Section thirty-five (35), Township twenty-six (26) South, Range seventy-three (73) West; thence northerly to the south-east corner of Section two (2), said township; thence westerly to the south-west corner of said section; thence northerly to the north-west corner of said section; thence westerly to the south-west corner of Section thirty-three (33), Township twenty-five (25) South, Range seventy-three (73) West; thence northerly to the south-east corner of Section twenty (20), said township; thence westerly to the south-west corner of said section; thence northerly to the north-west corner of said section; thence westerly along the section lines, allowing for the proper offset, to the point of intersection with the eastern boundary of the Luis Maria Baca Grant Number 4; thence along the eastern and northern boundary of said grant to the south-west corner of Section eight (8), Township forty-three (43) North, Range twelve (12) East, New Mexico Principal Meridian; thence northerly to the north-east corner of fractional Section six (6), said township; thence westerly to the south-west corner of Section thirty-five (35), Township forty-four (44) North, Range eleven (11) East; thence northerly to the south-east corner of Section twenty-two (22), said township; thence westerly to the south-west corner of the south-east quarter of said section; thence northerly to the north-east corner of the north-west quarter of said section; thence westerly to the north-west corner of said section; thence northerly to the south-east corner of Section four (4), said township; thence westerly to the south-west corner of the south-east quarter of said section; thence northerly to the north-east corner of the north-west quarter of said section; thence westerly to the south-west corner of Section thirty-three (33), Township forty-five (45) North, Range eleven (11) East; thence northerly to the south-east corner of Section twenty-nine (29), said township; thence westerly to the south-west corner of the south-east quarter of said section; thence northerly to the north-east corner of the north-west quarter of said section; thence westerly to the north-west corner of said section; thence northerly to the north-east corner of Section eighteen (18), said township; thence westerly to the north-west corner of the north-east quarter of said section; thence northerly to the south-east corner of the south-west quarter of Section seven (7), Township forty-six (46) North, Range eleven (11) East; thence westerly to the south-west corner of said section; thence northerly to the north-east corner of the south-east quarter of Section twelve (12), Township forty-six (46) North, Range ten (10) East; thence westerly to the north-west corner of the south-east quarter of said section; thence northerly to the north-east corner of the south-west quarter of

Section one (1), said township; thence westerly to the south-east corner of the north-east quarter of Section four (4), said township; thence northerly to the north-east corner of said section; thence westerly to the south-west corner of the south-east quarter of Section thirty-three (33), Township forty-seven (47) North, Range ten (10) East; thence northerly to the north-east corner of the north-west quarter of said section; thence westerly to the south-west corner of the south-east quarter of Section twenty-nine (29), said township; thence northerly to the north-east corner of the north-west quarter of said section; thence westerly to the south-west corner of the south-east quarter of Section nineteen (19), said township; thence northerly to the south-east corner of the south-west quarter of Section eighteen (18), said township; thence westerly to the south-west corner of said section; thence northerly to the south-east corner of Section twelve (12), Township forty-seven (47) North, Range nine (9) East; thence westerly to the south-west corner of said section; thence northerly to the south-east corner of the north-east quarter of Section eleven (11), said township; thence westerly to the south-west corner of the north-west quarter of said section; thence northerly to the north-west corner of said section; thence westerly to the south-east corner of Section four (4), said township; thence northerly to the north-east corner of said section; thence westerly to the south-west corner of Section thirty-three (33), Township forty-eight (48) North, Range nine (9) East; thence northerly to the north-west corner of said section; thence westerly to the south-west corner of the south-east quarter of Section twenty-nine (29), said township; thence northerly to the north-east corner of the north-west quarter of said section; thence westerly to the south-west corner of the south-east quarter of Section nineteen (19), said township; thence northerly to the north-east corner of the north-west quarter of said section; thence westerly to the south-west corner of the south-east quarter of Section thirteen (13), Township forty-eight (48) North, Range eight (8) East; thence northerly to the north-east corner of the north-west quarter of said section; thence westerly to the south-west corner of Section twelve (12), said township; thence northerly to the north-west corner of said section; thence westerly to the south-west corner of Section four (4), said township; thence northerly, allowing for the proper offset on the Twelfth (12) Correction Line North, to the north-west corner of Section thirty-three (33), Township forty-nine (49) North, Range eight (8) East; thence easterly to the north-east corner of the north-west quarter of said section; thence northerly to the north-west corner of the north-east quarter of Section twenty-eight (28), said township; thence easterly to the north-east corner of said section; thence northerly to the north-west corner of Section twenty-two (22), said township, the place of beginning;

such of the above-named corners as have not been established by the official surveys being intended to be located at the points where such corners would fall in projecting the surveys in the directions indicated without allowing for any irregularities which may occur in actually extending the surveys;

Excepting from the force and effect of this proclamation all lands which may have been, prior to the date hereof, embraced in any legal entry or covered by any lawful filing duly of record in the proper United States Land Office, or upon which any valid settlement has been made pursuant to law, and the statutory period within which to make entry or filing of record has not expired: *Provided*, that this exception shall not continue to apply to any particular tract of land unless the entryman, settler or claimant continues to comply with the law under which the entry, filing or settlement was made.

Warning is hereby expressly given to all persons not to make settlement upon the lands reserved by this proclamation.

In witness whereof, I have hereunto set my hand and caused the seal of the United States to be affixed.

[SEAL.] DONE at the City of Washington this 12th day of June, in the year of our Lord one thousand nine hundred and five, and of the Independence of the United States the one hundred and twenty-ninth.

THEODORE ROOSEVELT.

By the President:

FRANCIS B. LOOMIS,
Acting Secretary of State.

BY THE PRESIDENT OF THE UNITED STATES OF AMERICA.

A PROCLAMATION.

Whereas, it is provided by section twenty-four of the Act of Congress, approved March third, eighteen hundred and ninety-one, entitled, "An act to repeal timber-culture laws, and for other purposes", "That the President of the United States may, from time to time, set apart and reserve, in any State or Territory having public land bearing forests, in any part of the public lands wholly or in part covered with timber or undergrowth, whether of commercial value or not, as public reservations, and the President shall, by public proclamation, declare the establishment of such reservations and the limits thereof";

And whereas, the public lands in the State of Colorado, within the limits hereinafter described, are in part covered with timber, and it appears that the public good would be promoted by setting apart and reserving said lands as a public reservation;

Now, therefore, I, THEODORE ROOSEVELT, President of the United States, by virtue of the power in me vested by section twenty-four of the aforesaid Act of Congress, do hereby make known and proclaim that there are hereby reserved from entry or settlement and set apart as a Public Reservation all those certain tracts, pieces or parcels of land lying and being situate in the State of Colorado, and within the boundaries particularly described as follows:

Beginning at the north-west corner of Section four (4), Township eleven (11) North, Range ninety (90) West, Sixth (6th) Principal Meridian, Colorado; thence easterly to the north-east corner of Section six (6), Township eleven (11) North, Range eighty-nine (89) West; thence southerly to the south-east corner of said section; thence easterly to the north-east corner of Section eight (8), said township; thence southerly to the south-east corner of Section twenty-nine (29), said township; thence easterly to the north-west corner of Section thirty-six (36), said township; thence southerly to the north-west corner of the south-west quarter of said section; thence easterly to the north-east corner of the south-east quarter of Section thirty-three (33), Township eleven (11) North, Range eighty-seven (87) West; thence northerly to the north-east corner of said section; thence westerly to the south-east corner of Section thirty (30), said township; thence northerly to the south-east corner of the north-east quarter of said section; thence westerly to the south-west corner of the north-east quarter of Section twenty-eight (28), Township eleven (11) North, Range eighty-eight (88) West; thence northerly to the north-west corner of the north-east quarter of said section; thence westerly to the south-west corner of Section nineteen (19), said township; thence northerly to the south-east corner of Section thirteen (13), Township eleven (11) North, Range eighty-nine (89) West; thence westerly to the south-west corner of said section; thence northerly to the south-east corner of the north-east quarter of Section fourteen (14), said township; thence westerly to the south-west corner of the north-west quarter of said section; thence northerly to the south-east corner of Section three (3), said township; thence westerly to the south-west corner of said section; thence northerly to the north-west corner of said section; thence easterly to the north-east corner of Section six (6), Township eleven (11) North, Range eighty-eight (88) West; thence southerly to the south-east corner of said section; thence easterly to the north-east corner of Section twelve (12), said township; thence southerly to the south-west corner of Section seven (7), Township eleven (11) North, Range eighty-seven (87) West; thence easterly to the north-east corner of Section fourteen (14), said township; thence southerly to the north-west corner of the south-west quarter of Section twenty-four (24), said township; thence easterly to the north-east corner of the south-east quarter of Section nineteen (19), Township eleven (11) North, Range eighty-six (86) West; thence northerly to the north-west corner of Section eight (8), said township; thence easterly to the north-east corner of said section; thence southerly to the south-east corner of the north-east quarter of said section; thence easterly to the north-east corner of the south-east quarter of Section ten (10), said township; thence northerly to the north-west corner of Section two (2), said township; thence easterly to the north-east corner of Section six (6), Township eleven (11) North, Range eighty-five (85) West; thence southerly to the south-east corner of Section nineteen (19), said township; thence easterly to the south-west corner of Section twenty-three (23), said township; thence northerly to the north-west corner of said section; thence easterly to the north-east corner of said section; thence northerly to the south-east corner of Section two (2), said township; thence westerly to the south-west corner of said section; thence northerly to the north-west corner of said section; thence westerly to the south-west corner of the south-east quarter of Section thirty-three (33), Township twelve (12) North, Range eighty-five (85) West; thence northerly to the north-west corner of the south-east quarter of Section twenty-eight (28), said township; thence easterly to the north-east corner of the south-east quarter of said section; thence northerly to the south-east corner of the north-east quarter of Section twenty-one (21), said township; thence westerly to the south-west corner of the north-west quarter of Section twenty (20), said township; thence northerly to the boundary line between the States of Colorado and Wyoming; thence easterly along said state boundary line to its intersection with the range line between Ranges eighty-four (84) and eighty-five (85) West; thence southerly to the north-west corner of the south-west quarter of Section nineteen (19), Township twelve (12) North, Range eighty-four (84) West; thence easterly to the north-east corner of the south-east quarter of Section twenty (20), said township; thence southerly to the south-east corner of said section; thence easterly to the south-east corner of Section twenty-one (21), Township twelve (12) North, Range eighty-three (83) West; thence northerly to the boundary line between the States of Colorado and Wyoming; thence easterly along said state boundary line to its intersection with the section line between Sections twenty-two (22) and twenty-three (23), Township twelve (12) North, Range eighty-two (82) West; thence southerly to the south-west corner of Section twenty-six (26), said township; thence easterly to the north-east corner of Section thirty-six (36), said township; thence southerly to the south-east corner of Section twenty-five (25), Township eleven (11) North, Range eighty-two (82) West; thence westerly to the south-west corner of said section; thence southerly to the north-east corner of Section thirty-five (35), Township nine (9) North, Range eighty-two (82) West; thence westerly to the north-west corner of said section; thence southerly to the south-west corner of said section; thence easterly along the Second (2nd) Correction Line North to the north-east corner of Section two (2), Township eight (8) North, Range eighty-two (82) West; thence southerly to the south-east corner of said section; thence westerly to the south-west corner of said section; thence southerly to the south-east corner of Section ten (10), Township seven (7) North, Range eighty-two (82) West; thence westerly to the south-west corner of said section; thence southerly to the south-east corner of Section thirty-three (33), Township six (6) North, Range eighty-two (82) West; thence easterly to the north-east corner of the north-west quarter of Section one (1), Township five (5) North, Range eighty-two (82) West; thence southerly to the south-east corner of the south-west quarter of Section twelve (12), said township; thence westerly to the north-east corner of Section fifteen (15), said township; thence southerly to the south-east corner of Section thirty-four (34), said township; thence easterly along the First (1st) Correction Line North to the north-east corner of the north-west quarter of Section three (3), Township four (4) North, Range eighty-two (82) West; thence southerly to the south-east corner of the south-west quarter of said section; thence westerly to the south-west corner of said section; thence southerly to the north-east corner of Section sixteen (16), said township; thence westerly to the north-west corner of said section; thence southerly to the south-west corner of said section; thence easterly to the south-east corner of said section; thence southerly to the north-west corner of Section ten (10), Township two (2) North, Range eighty-two (82) West; thence easterly to the north-east corner of said section; thence southerly to the south-east corner of said section; thence easterly to the north-east corner of the north-west quarter of Section thirteen (13), said township; thence southerly to the south-east corner of the south-west quarter of Section twenty-four (24), said township; thence westerly to the south-west corner of said section; thence southerly to the north-east corner of Section thirty-five (35), said township; thence westerly to the north-west corner of said section; thence southerly to the south-west corner of said section; thence westerly to the south-west corner of Section thirty-five (35), Township two (2) North, Range eighty-three (83) West; thence northerly along the section lines to the point of intersection with the First (1st) Correction Line North; thence westerly along said Correction Line to the south-west corner of Section thirty-six (36), Township five (5) North, Range eighty-four (84) West; thence northerly to the south-east corner of Section twenty-six (26), Township six

(6) North, Range eighty-four (84) West; thence westerly to the south-west corner of said section; thence northerly to the south-east corner of Section three (3), said township; thence westerly to the south-west corner of said section; thence northerly to the north-west corner of said section; thence easterly to the south-east corner of Section thirty-five (35), Township seven (7) North, Range eighty-four (84) West; thence northerly to the north-east corner of Section twenty-six (26), said township; thence westerly to the north-west corner of said section; thence northerly to the south-east corner of Section fifteen (15), said township; thence westerly to the south-west corner of said section; thence northerly to the north-west corner of said section; thence westerly to the south-west corner of Section seven (7), said township; thence northerly along the range line, allowing for the proper offset on the Second (2nd) Correction Line North to the north-east corner of Township nine (9) North, Range eighty-five (85) West; thence westerly to the south-west corner of Section thirty-five (35), Township ten (10) North, Range eighty-five (85) West; thence northerly to the south-east corner of Section twenty-two (22), said township; thence westerly to the north-east corner of Section thirty (30), said township; thence southerly to the south-east corner of Section thirty-one (31), said township; thence westerly to the north-east corner of Township nine (9) North, Range eighty-six (86) West; thence southerly to the south-east corner of the north-east quarter of Section thirty-six (36), said township; thence westerly to the south-west corner of the north-west quarter of said section; thence northerly to the north-west corner of said section; thence westerly to the north-east corner of Section thirty-four (34), said township; thence southerly to the south-east corner of the north-east quarter of said section; thence westerly to the south-west corner of the north-west quarter of Section thirty-three (33), said township; thence northerly to the north-west corner of said section; thence westerly to the south-west corner of Section thirty (30), said township; thence southerly along the range line, allowing for the proper offset on the Second (2nd) Correction Line North, to the south-east corner of Section thirteen (13), Township seven (7) North, Range eighty-seven (87) West; thence westerly to the south-west corner of the south-east quarter of Section seventeen (17), said township; thence northerly to the north-west corner of the north-east quarter of said section; thence easterly to the north-east corner of said section; thence northerly to the south-west corner of the north-west quarter of Section nine (9), said township; thence easterly to the south-east corner of the north-east quarter of said section; thence northerly to the south-west corner of Section ten (10), Township eight (8) North, Range eighty-seven (87) West; thence easterly to the south-west corner of

the south-east quarter of said section; thence northerly, allowing for the proper offset on the Second (2nd) Correction Line North, to the north-west corner of the north-east quarter of Section thirty-four (34), Township nine (9) North, Range eighty-seven (87) West; thence westerly to the south-west corner of the south-east quarter of Section twenty-nine (29), said township; thence northerly to the north-west corner of the north-east quarter of Section twenty (20), said township; thence easterly to the south-west corner of Section fourteen (14), said township; thence northerly to the north-west corner of Section two (2), said township; thence westerly to the south-west corner of the south-east quarter of Section thirty-four (34), Township ten (10) North, Range eighty-seven (87) West; thence northerly to the north-west corner of the south-east quarter of Section twenty-seven (27), said township; thence easterly to the south-west corner of the north-east quarter of Section twenty-six (26), said township; thence northerly to the north-west corner of the north-east quarter of Section fourteen (14), said township; thence westerly to the north-west corner of said section; thence southerly to the south-west corner of said section; thence westerly to the north-east corner of the north-west quarter of Section twenty-one (21), said township; thence southerly to the south-east corner of the south-west quarter of Section thirty-three (33), said township; thence westerly to the north-east corner of Section five (5), Township nine (9) North, Range eighty-seven (87) West; thence southerly to the south-east corner of said section; thence westerly to the south-west corner of Section six (6), said township; thence southerly to the south-east corner of Section twelve (12), Township nine (9) North, Range eighty-eight (88) West; thence westerly to the south-west corner of said section; thence southerly to the south-east corner of Section fourteen (14), said township; thence westerly to the south-west corner of Section eighteen (18), said township; thence northerly to the south-east corner of Section twelve (12), Township nine (9) North, Range eighty-nine (89) West; thence westerly to the south-west corner of Section seven (7), said township; thence northerly to the south-east corner of Section twenty-five (25), Township eleven (11) North, Range ninety (90) West; thence westerly to the south-west corner of said section; thence northerly to the north-west corner of said section; thence westerly to the south-east corner of Section twenty-two (22), said township; thence northerly to the north-east corner of said section; thence westerly to the north-west corner of said section; thence northerly to the south-east corner of Section nine (9), said township; thence westerly to the south-west corner of said section; thence northerly to the north-west corner of Section four (4), said township, the place of beginning;

Excepting from the force and effect of this proclamation all lands which may have been, prior to the date hereof, embraced in any legal entry or covered by any lawful filing duly of record in the proper United States Land Office, or upon which any valid settlement has been made pursuant to law, and the statutory period within which to make entry or filing of record has not expired: *Provided*, that this exception shall not continue to apply to any particular tract of land unless the entryman, settler or claimant continues to comply with the law under which the entry, filing or settlement was made.

Warning is hereby expressly given to all persons not to make settlement upon the lands reserved by this proclamation.

The reservation hereby established shall be known as the Park Range Forest Reserve.

In witness whereof, I have hereunto set my hand and caused the seal of the United States to be affixed.

[SEAL.] DONE at the City of Washington this 12th day of June, in the year of our Lord one thousand nine hundred and five, and of the Independence of the United States the one hundred and twenty-ninth.

THEODORE ROOSEVELT.

By the President:
FRANCIS B. LOOMIS,
Acting Secretary of State.

BY THE PRESIDENT OF THE UNITED STATES OF AMERICA.

A PROCLAMATION.

Whereas, The Washington Forest Reserve, in the State of Washington, was established by proclamation dated February twenty-second, eighteen hundred and ninety-seven, under and by virtue of section twenty-four of the Act of Congress, approved March third, eighteen hundred and ninety-one, entitled, "An act to repeal timber-culture laws, and for other purposes", which provides "That the President of the United States may, from time to time, set apart and reserve, in any State or Territory having public land bearing forests, in any part of the public lands wholly or in part covered with timber or undergrowth, whether of commercial value or not, as public reservations, and the President shall, by public proclamation, declare the establishment of such reservations and the limits thereof";

And whereas, it is further provided by the Act of Congress, approved June fourth, eighteen hundred and ninety-seven, entitled, "An act making appropriations for sundry civil expenses of the Government for the fiscal year ending June thirtieth, eighteen hundred and ninety-eight, and for other purposes", that "the President is hereby authorized at any time to modify any Executive order that has been or may hereafter be made establishing any forest reserve, and by such modification may reduce the area or change the boundary lines of such reserve, or may vacate altogether any order creating such reserve"; under which provision, the boundary lines of the said forest reserve were changed and reduced by proclamation dated April third, nineteen hundred and one;

And whereas, it appears that the public good would be promoted by further releasing and excluding certain lands from the said forest reserve, and by including therein certain additional lands which are in part covered with timber;

Now, therefore, I, THEODORE ROOSEVELT, President of the United States, by virtue of the power in me vested by the aforesaid act of Congress, approved June fourth, eighteen hundred and ninety-seven, do hereby make known and proclaim that the boundary lines of the aforesaid Washington Forest Reserve are hereby further modified so as to read as follows:

Beginning at the point where the range line between Ranges six (6) and seven (7) East, Willamette Meridian, Washington, intersects the international boundary line between the United States of America and the British Possessions; thence easterly along said international boundary line to the point of intersection with the range line between Ranges twenty-four (24) and twenty-five (25) East; thence southerly, allowing for the proper offset on the Ninth (9th) Standard Parallel North, to the south-east corner of Section twelve (12), Township thirty-six (36) North, Range twenty-four (24) East; thence westerly to the north-west corner of Section sixteen (16), said township; thence southerly to the south-east corner of Section twenty (20), said township; thence westerly to the north-west corner of Section thirty (30), said township; thence southerly to the south-west corner of Township thirty-five (35) North, Range twenty-four (24) East; thence easterly to the north-east corner of Section three (3), Township thirty-four (34) North, Range twenty-four (24) East; thence southerly to the south-west corner of Section eleven (11), said township; thence easterly to the north-east corner of Section thirteen (13), said township; thence southerly to the south-east corner of Section twenty-four (24), said township; thence westerly to the north-west corner of the north-east quarter of Section twenty-five (25), said township; thence southerly to the south-east corner of the south-west quarter of said section; thence westerly to the north-west corner of Section thirty-five (35), said township; thence southerly to the south-east corner of Section thirty-four (34), said township; thence westerly to the north-west corner of Section four (4), Township thirty-three (33) North, Range twenty-four (24) East; thence southerly to the south-west corner of said section; thence easterly to the north-east corner of Section nine (9), said township; thence southerly to the south-west corner of the north-west quarter of Section ten (10), said township; thence easterly to the north-east corner of the south-west quarter of Section twelve (12), said township; thence southerly to the south-east corner of the south-west quarter of said section; thence easterly to the north-east corner of Section thirteen (13), said township; thence southerly to the south-east corner of Section twenty-five (25), said township; thence westerly to the south-west corner of Section twenty-nine (29), Township thirty-three (33) North, Range twenty-three (23) East; thence northerly to the north-east corner of Section nineteen (19), said township; thence westerly to the south-west corner of Section eighteen (18), said township; thence northerly to the north-west corner of the south-west quarter of said section; thence easterly to the north-east corner of the south-east quarter of Section seventeen (17), said township; thence southerly to the south-west corner of Section sixteen (16), said township; thence easterly to the south-east corner of said section; thence northerly to the north-west corner of Section fifteen (15), said township; thence easterly to the south-east corner of Section ten (10), said township; thence northerly to the north-east corner of said section; thence westerly to the south-west corner of Section four (4), said township; thence northerly to the north-east corner of Section thirty-two (32), Township thirty-four (34) North, Range twenty-three (23) East; thence westerly to the south-west corner of Section thirty (30), said township; thence northerly to the north-east corner of Township thirty-four (34) North, Range twenty-two (22) East; thence westerly to the south-east corner of Section thirty-two (32), Township thirty-five (35) North, Range twenty-two (22) East; thence northerly to the north-east corner of said section; thence westerly to the north-west corner of said section; thence northerly to the north-east corner of Section thirty (30), said township; thence westerly to the south-west corner of Section nineteen (19), said township; thence northerly to the north-east corner of Township thirty-five (35) North, Range twenty-one (21) East; thence westerly to the north-west corner of said township; thence southerly to the south-east corner of the north-east quarter of Section thirteen (13), Township thirty-five (35) North, Range twenty (20) East; thence westerly to the south-east corner of the north-east quarter of Section fifteen (15), said township; thence northerly to the north-east corner of said section; thence westerly to the north-west corner of the north-east quarter of said section; thence northerly to the north-east corner of the south-west quarter of Section three (3), said township; thence westerly to the north-west corner of the south-west quarter of said section; thence northerly to the north-east corner of Section four (4), said township;

thence westerly to the north-west corner of Section five (5), said township; thence southerly to the south-west corner of said section; thence easterly to the north-east corner of the north-west quarter of Section nine (9), said township; thence southerly to the south-east corner of the south-west quarter of said section; thence easterly to the south-east corner of said section; thence southerly to the south-west corner of Section fifteen (15), said township; thence easterly to the south-east corner of said section; thence southerly to the south-west corner of the north-west quarter of Section twenty-three (23), said township; thence easterly to the north-east corner of the south-west quarter of said section; thence southerly to the south-east corner of the south-west quarter of said section; thence easterly to the south-east corner of said section; thence southerly to the south-west corner of Section thirty-six (36), said township; thence easterly to the north-east corner of Township thirty-four (34) North, Range twenty (20) East; thence southerly to the south-west corner of Section eighteen (18), Township thirty-three (33) North, Range twenty-one (21) East; thence easterly to the north-east corner of Section twenty-four (24), said township; thence southerly, allowing for the proper offset on the Eighth (8th) Standard Parallel North, to the south-east corner of Section thirteen (13), Township thirty-two (32) North, Range twenty-one (21) East; thence westerly to the north-west corner of Section nineteen (19), said township; thence southerly to the south-west corner of said township; thence easterly to the north-east corner of Township thirty-one (31) North, Range twenty-one (21) East; thence southerly to the south-west corner of Township thirty-one (31) North, Range twenty-two (22) East; thence easterly to the north-east corner of Section two (2), Township thirty (30) North, Range twenty-two (22) East; thence southerly to the south-east corner of said section; thence easterly to the north-east corner of the north-west quarter of Section twelve (12), said township; thence southerly to the south-west corner of the south-east quarter of Section twenty-four (24), said township; thence easterly to the south-east corner of said section; thence southerly to the north-west corner of the south-west quarter of Section thirty (30), Township thirty (30) North, Range twenty-three (23) East; thence easterly to the north-east corner of the south-east quarter of said section; thence southerly to the south-east corner of said section; thence easterly to the north-east corner of Section thirty-two (32), said township; thence southerly to the south-east corner of said section; thence easterly to the north-east corner of Section four (4), Township twenty-nine (29) North, Range twenty-three (23) East; thence southerly to the south-east corner of Section twenty-one (21), said township; thence westerly to the north-west corner of Section thirty (30), said township; thence southerly to the south-east corner of Township twenty-nine (29) North, Range twenty-two (22) East; thence westerly along the Seventh (7th) Standard Parallel North, allowing for proper offsets, to the south-west corner of Township twenty-nine (29) North, Range eight (8) East; thence northerly to the north-west corner of Section eighteen (18), Township thirty (30) North, Range eight (8) East; thence easterly to the north-west corner of Section fifteen (15), said township; thence southerly to the south-west corner of the north-west quarter of said section; thence easterly to the south-east corner of the north-west quarter of said section; thence southerly to the south-west corner of the south-east quarter of said section; thence easterly to the south-east corner of the south-west quarter of Section fourteen (14), said township; thence northerly to the north-east corner of the south-west quarter of Section eleven (11), said township; thence westerly to the north-west corner of the south-west quarter of said section; thence northerly to the north-west corner of said section; thence westerly to the south-west corner of Section three (3), said township; thence northerly to the north-west corner of the south-west quarter of said section; thence westerly to the south-west corner of the north-west quarter of Section five (5), said township; thence northerly to the north-west corner of said section; thence westerly to the south-west corner of Township thirty-one (31) North, Range eight (8) East; thence northerly to the north-east corner of Section twenty-four (24), Township thirty-one (31) North, Range seven (7) East; thence westerly to the south-west corner of Section thirteen (13), said township; thence northerly to the north-east corner of Section eleven (11), said township; thence westerly to the south-west corner of Section four (4), said township; thence northerly to the north-west corner of said section; thence easterly to the south-east corner of Township thirty-two (32) North, Range seven (7) East; thence northerly to the north-west corner of Section nineteen (19), Township thirty-two (32) North, Range eight (8) East; thence easterly to the south-west corner of Section fifteen (15), said township; thence northerly to the north-west corner of said section; thence easterly to the north-east corner of Section thirteen (13), said township; thence southerly to the north-west corner of Section nineteen (19), Township thirty-two (32) North, Range nine (9) East; thence easterly to the north-west corner of Section twenty (20), said township; thence southerly to the south-west corner of said section; thence easterly to the south-east corner of said section; thence southerly to the south-west corner of the north-west quarter of Section twenty-eight (28), said township; thence easterly to the south-west corner of the north-west quarter of Section twenty-five (25), said township; thence southerly to the south-west corner of said section; thence easterly to the south-east corner of the south-west quarter of said section; thence southerly to the south-west corner of the north-east quarter of Section thirty-six (36), said township; thence easterly to the south-east corner of the north-east quarter of said section; thence northerly to the north-west corner of Section eighteen (18), Township thirty-two (32) North, Range ten (10) East; thence easterly to the south-east corner of Section eight (8), said township; thence northerly to the north-west corner of Section nine (9), said township; thence easterly to the south-east corner of Section four (4), said township; thence northerly to the north-east corner of said section; thence easterly to the south-east corner of the south-west quarter of Section thirty-two (32), Township thirty-three (33) North, Range eleven (11) East; thence northerly to the north-east corner of the north-west quarter of said section; thence westerly to the south-west corner of Section twenty-nine (29), said township; thence northerly to the north-east corner of the south-east quarter of Section thirty (30), said township; thence westerly to the south-east corner of the south-west quarter of the north-east quarter of said section; thence northerly to the north-east corner of the south-west quarter of the north-east quarter of said section; thence westerly to the north-west corner of the south-west quarter of the north-east quarter of said section; thence northerly to the south-east corner of the north-west quarter of Section eighteen (18), said township; thence westerly to the south-west corner of the north-west quarter of said section; thence northerly to the north-east corner of Section twelve (12), Township thirty-three (33) North, Range ten (10) East; thence westerly to the south-west corner of Section one (1), said township; thence northerly to the north-east corner of Section two (2), said township; thence westerly to the south-west corner of Section thirty-three (33), Township thirty-four (34) North, Range ten (10) East; thence northerly to the north-west corner of Section nine (9), said township; thence easterly to the south-east corner of Section one (1), said township; thence northerly to the north-west corner of Township thirty-four (34) North, Range eleven (11) East; thence easterly to the south-east corner of Township thirty-five (35) North, Range eleven (11) East; thence northerly to the north-east corner of Section twelve (12), said township; thence westerly to the south-east corner of Section five (5), said township; thence northerly to the north-east corner of said section; thence westerly to the south-west corner of the south-east quarter of Section thirty-two (32), Township thirty-six (36) North, Range eleven (11) East; thence northerly to the north-west corner of the north-east quarter of said section; thence easterly to the south-east corner of Section twenty-nine (29), said township; thence northerly to the north-west corner of the south-west quarter of Section twenty-eight (28), said township; thence easterly to the north-east corner of the south-east quarter of said section; thence northerly to the north-east corner of said section; thence easterly to the south-east corner of the south-west quarter of Section twenty-two (22), said township; thence northerly to the north-west corner of the north-east quarter of said section; thence easterly to the south-east corner of Section fifteen (15), said township; thence northerly to the south-west corner of Section eleven (11), said township; thence easterly to the south-east corner of the south-west quarter of said section; thence northerly to the north-east corner of the south-west quarter of said section; thence easterly to the south-east corner of the north-east quarter of said section; thence northerly to the north-east corner of said section; thence easterly to the south-east corner of Section one (1), said township; thence northerly to the north-east corner of said section; thence westerly to the north-west corner of the north-east quarter of said section; thence southerly to the south-east corner of the north-west quarter of said section; thence westerly to the north-west corner of the south-west quarter of Section two (2), said township; thence southerly to the north-east corner of the south-east quarter of Section ten (10), said township; thence westerly to the north-west corner of the south-east quarter of said section; thence southerly to the south-west corner of the south-east quarter of said section; thence westerly to the north-west corner of Section fifteen (15), said township; thence southerly to the north-east corner of Section twenty-one (21), said township; thence westerly to the north-west corner of the north-east quarter of said section; thence southerly to the south-west corner of the north-east quarter of said section; thence westerly to the north-west corner of the south-west quarter of Section twenty (20), said township; thence southerly to the south-east corner of Section nineteen (19), said township; thence westerly to the north-west corner of the north-east quarter of Section thirty (30), said township; thence southerly to the south-east corner of the south-west quarter of said section; thence westerly to the north-west corner of Section thirty-one (31), said township; thence southerly to the south-east corner of the north-east quarter of Section one (1), Township thirty-five (35) North, Range ten (10) East; thence westerly to the south-west corner of the north-east quarter of said section; thence southerly to the south-east corner of the north-west quarter of Section twelve (12), said township; thence westerly to the south-west corner of the north-west quarter of said section; thence southerly to the south-west corner of said section; thence westerly to the north-west corner of the north-east quarter of Section fourteen (14), said township; thence southerly to the south-west corner of the north-east quarter of said section; thence westerly to the north-west corner of the south-east quarter of Section fifteen (15), said township; thence southerly to the south-east corner of the north-west quarter of Section twenty-two (22), said township; thence westerly to the south-west corner of the north-east quarter of Section twenty (20), said township; thence northerly to the south-west corner of the south-east quarter of Section eight (8), said township; thence easterly to the south-east corner of said section; thence northerly to the north-east corner of said section; thence easterly to the south-east corner of the south-west quarter of Section four (4), said township; thence northerly to the north-east corner of the north-west quarter of said section; thence westerly to the north-west corner of the north-east quarter of Section five (5), said township; thence southerly to the south-west corner of the south-east quarter of said section; thence westerly to the north-west corner of Section seven (7), said township; thence southerly to the south-west corner of the north-west quarter of Section eighteen (18), said township; thence easterly to the south-east corner of the north-west quarter of said section; thence southerly to the south-east corner of the south-west quarter of Section nineteen (19), said township; thence westerly to the south-west corner of Section twenty-three (23), Township thirty-five (35) North, Range nine (9) East; thence northerly to the north-east corner of Section twenty-two (22), said township; thence westerly to the south-west corner of Section fifteen (15), said township; thence northerly to the north-west corner of Section ten (10), said township; thence easterly to the south-east corner of the south-west quarter of Section three (3), said township; thence northerly to the south-west corner of the north-east quarter of said section; thence easterly to the south-east corner of the north-east quarter of said section; thence northerly to the north-east corner of said section; thence easterly to the south-east corner of Township thirty-six (36) North, Range nine (9) East; thence northerly to the north-east corner of Section twenty-five (25), said township; thence westerly to the north-west corner of Section twenty-six (26), said township; thence southerly to the south-east corner of Section twenty-seven (27), said township; thence westerly to the north-west corner of Section thirty-four (34), said township; thence southerly to the south-east corner of Section thirty-three (33), said township; thence westerly to the south-west corner of the south-east quarter of Section thirty-two (32), said township; thence northerly to the north-west corner of the north-east quarter of said section; thence easterly to the south-east corner of Section twenty-nine (29), said township; thence northerly to the north-west corner of Section twenty-one (21), said township; thence easterly to the south-east corner of Section sixteen (16), said township; thence northerly to the north-west corner of Section fifteen (15), said township; thence easterly to the south-east corner of the south-west quarter of Section ten (10), said township; thence northerly to the north-east corner of the south-west quarter of said section; thence easterly to the south-east corner of the north-west quarter of Section eleven (11), said township; thence northerly to the north-east corner of the north-west quarter of said section; thence westerly to the north-west corner of Section nine (9), said township; thence southerly to the south-east corner of the north-east quarter of Section eight (8), said township; thence westerly to the south-west corner of the north-east quarter of said section; thence southerly to the south-east corner of the south-west quarter of said section; thence westerly to the south-west corner of said section; thence northerly to the north-west corner of the south-west quarter of Section five (5), said township; thence easterly to the north-east corner of the south-west quarter of said section; thence northerly to the north-east corner of the north-west quarter of said section; thence westerly to the north-west corner of Section four (4), Township thirty-six (36) North, Range eight (8) East; thence southerly to the south-east corner of Section five (5), said township; thence westerly to the south-west corner of said section; thence northerly to the north-east corner of the south-east quarter of Section six (6), said township; thence westerly to the north-west corner of the south-west quarter of said section; thence southerly to the south-east corner of Section one (1), Township thirty-six (36) North, Range seven (7) East; thence westerly to the north-west corner of Section ten (10), said township; thence southerly to the south-west corner of said section; thence westerly to the south-east corner of the south-west quarter of Section eight (8), said township; thence northerly to the north-east corner of the south-west quarter of said section; thence westerly to the north-west corner of the south-west quarter of said section; thence northerly to the north-east corner of Section six (6), said township; thence westerly to the south-west corner of Township thirty-seven (37) North, Range seven (7) East; thence northerly to the north-east corner of Section thirty-six (36), Township thirty-seven (37) North, Range six (6) East; thence westerly to the south-west corner of Section twenty-five (25), said township; thence northerly to the north-east corner of Section twenty-six (26), said township; thence westerly to the south-west corner of Section twenty-three (23), said township; thence northerly to the north-east corner of Section fifteen (15), said township; thence westerly to the south-west corner of the south-east quarter of Section ten (10), said township; thence northerly to the north-west corner of the north-east quarter of Section three (3), said township; thence easterly to the south-east corner of Section thirty-four (34), Township thirty-eight (38) North, Range six (6) East; thence northerly to the north-west corner of Section thirty-five (35), said township; thence easterly to the south-east corner of Section twenty-five (25), said township;

thence northerly to north-east corner of Section twenty-four (24), said township; thence westerly to the south-west corner of Section thirteen (13), said township; thence northerly to the north-east corner of Section thirty-five (35), Township thirty-nine (39) North, Range six (6) East; thence westerly to the south-west corner of Section twenty-six (26), said township; thence northerly to the north-west corner of Section twenty-three (23), said township; thence easterly to the south-east corner of Section thirteen (13), said township; thence northerly along the range line to the point of intersection with the international boundary line between the United States of America and the British Possessions, the place of beginning;

And further beginning at the north-west corner of Section thirty (30), Township thirty-five (35) North, Range seven (7) East; thence easterly to the north-east corner of the north-west quarter of Section twenty-nine (29), said township; thence southerly to the south-east corner of the north-west quarter of said section; thence easterly to the north-east corner of the south-west quarter of Section twenty-seven (27), said township; thence southerly to the south-east corner of the south-west quarter of said section; thence easterly to the north-east corner of Section thirty-four (34), said township; thence southerly to the north-west corner of the south-west quarter of Section thirty-five (35), said township; thence easterly to the north-east corner of the south-east quarter of said section; thence southerly to the south-west corner of Section thirty-six (36), said township; thence easterly to the north-east corner of Section two (2), Township thirty-four (34) North, Range eight (8) East; thence southerly to the south-west corner of Section one (1), said township; thence easterly to the north-east corner of Section twelve (12), said township; thence southerly to the south-west corner of Section eighteen (18), Township thirty-four (34) North, Range nine (9) East; thence easterly to the north-east corner of Section twenty-two (22), said township; thence southerly to the south-west corner of Section thirty-five (35), said township; thence easterly to the north-east corner of Township thirty-three (33) North, Range nine (9) East; thence southerly to the south-east corner of Section thirteen (13), said township; thence westerly to the north-east corner of the north-west quarter of Section twenty-four (24), said township; thence southerly to the south-east corner of the north-west quarter of said section; thence westerly to the south-west corner of the north-west quarter of said section; thence southerly to the south-west corner of Section thirty-six (36), said township; thence easterly to the north-east corner of Township thirty-two (32) North, Range nine (9) East; thence southerly to the south-east corner of the north-east quarter of the south-east quarter of Section one (1), said township; thence westerly to the south-west corner of the north-west quarter of the south-east quarter of said section; thence southerly to the south-east corner of the south-west quarter of said section; thence westerly to the south-west corner of the south-east quarter of Section two (2), said township; thence northerly, allowing for the proper offset on the Eighth (8th) Standard Parallel North to the north-east corner of the south-west quarter of Section thirty-five (35), Township thirty-three (33) North, Range nine (9) East; thence westerly to the north-west corner of the south-west quarter of said section; thence northerly to the north-east corner of the south-east quarter of Section twenty-two (22), said township; thence westerly to the north-west corner of the south-east quarter of said section; thence southerly to the south-west corner of the south-east quarter of said section; thence westerly to the north-west corner of Section twenty-seven (27), said township; thence southerly to the south-east corner of Section thirty-three (33), said township; thence westerly to the north-west corner of the north-east quarter of the north-east quarter of Section four (4), Township thirty-two (32) North, Range nine (9) East; thence southerly to the south-west corner of the south-east quarter of the north-east quarter of said section; thence westerly to the south-east corner of the south-west quarter of the north-west quarter of said section; thence northerly to the north-east corner of the north-west quarter of the north-west quarter of said section; thence westerly to the north-west corner of said township; thence southerly to the south-east corner of the north-east quarter of Section one (1), Township thirty-two (32) North, Range eight (8) East; thence westerly to the south-west corner of the north-west quarter of said section; thence northerly to the north-west corner of said section; thence westerly to the north-west corner of Section two (2), said township; thence southerly to the south-east corner of the north-east quarter of the north-east quarter of Section three (3), said township; thence westerly to the south-west corner of the north-west quarter of the north-west quarter of Section six (6), said township; thence northerly, allowing for the proper offset on the Eighth (8th) Standard Parallel North, to the north-east corner of Section thirty-six (36), Township thirty-four (34) North, Range seven (7) East; thence westerly to the north-west corner of Section thirty-five (35), said township; thence southerly to the south-east corner of Section thirty-four (34), said township; thence westerly to the south-west corner of Section thirty-two (32), said township; thence northerly to the north-east corner of Section thirty (30), said township; thence westerly to the south-west corner of Section nineteen (19), said township; thence northerly to the north-west corner of Section thirty (30), Township thirty-five (35) North, Range seven (7) East, the place of beginning;

Such of the above-named corners as have not been established by the official surveys being intended to be located at the points where such corners would fall in projecting the surveys in the directions indicated without allowing for any irregularities which may occur in actually extending the surveys;

Excepting from the force and effect of this proclamation all lands which may have been, prior to the date hereof, embraced in any legal entry or covered by any lawful filing duly of record in the proper United States Land Office, or upon which any valid settlement has been made pursuant to law, and the statutory period within which to make entry or filing of record has not expired: *Provided*, that this exception shall not continue to apply to any particular tract of land unless the entryman, settler or claimant continues to comply with the law under which the entry, filing or settlement was made.

The lands hereby excluded from the reserve and restored to the public domain shall be open to settlement from the date hereof, but shall not be subject to entry, filing or selection until after ninety days' notice by such publication as the Secretary of the Interior may prescribe.

Warning is hereby expressly given to all persons not to make settlement upon the lands reserved by this proclamation.

In witness whereof, I have hereunto set my hand and caused the seal of the United States to be affixed.

[SEAL.] Done at the City of Washington this 12th day of June, in the year of our Lord one thousand nine hundred and five, and of the Independence of the United States the one hundred and twenty-ninth.

THEODORE ROOSEVELT.

By the President:

Francis B. Loomis,
Acting Secretary of State.

By the President of the United States of America.

A PROCLAMATION.

Whereas, it is provided by section twenty-four of the Act of Congress, approved March third, eighteen hundred and ninety-one, entitled, "An act to repeal timber-culture laws, and for other purposes", "That the President of the United States may, from time to time, set apart and reserve, in any State or Territory having public land bearing forests, in any part of the public lands wholly or in part covered with timber or undergrowth, whether of commercial value or not, as public reservations, and the President shall, by public proclamation, declare the establishment of such reservations and the limits thereof";

And whereas, the public lands in the State of Colorado, within the limits hereinafter described, are in part covered with timber, and it appears that the public good would be promoted by setting apart and reserving said lands as a public reservation;

Now, therefore, I, THEODORE ROOSEVELT, President of the United States, by virtue of the power in me vested by section twenty-four of the aforesaid Act of Congress, do hereby make known and proclaim that there are hereby reserved from entry or settlement and set apart as a Public Reservation all those certain tracts, pieces or parcels of land lying and being situate in the State of Colorado, and within the boundaries particularly described as follows:

Beginning at the north-west corner of Township fifty (50) North, Range four (4) East, New Mexico Principal Meridian, Colorado, thence easterly to the north-east corner of Section two (2), Township fifty (50) North, Range seven (7) East; thence southerly to the south-east corner of Section eleven (11), said township; thence westerly to the south-west corner of said section; thence southerly to the south-east corner of Section twenty-two (22), said township; thence westerly to the south-west corner of said section; thence southerly to the south-west corner of Section fifteen (15), Township forty-nine (49) North, Range seven (7) East; thence easterly to the north-east corner of Section twenty-three (23), said township; thence southerly along the section lines, allowing for the proper offset on the Twelfth (12th) Correction Line North, to the south-west corner of Section one (1), Township forty-eight (48) North, Range seven (7) East; thence easterly to the north-east corner of Section seven (7), Township forty-eight (48) North, Range eight (8) East; thence southerly to the north-west corner of Section twenty (20), said township; thence easterly to the north-east corner of said section; thence southerly to the south-east corner of said section; thence easterly to the north-east corner of Section twenty-eight (28), said township; thence southerly to the south-east corner of said section; thence easterly to the north-east corner of Section thirty-four (34), said township; thence southerly to the north-west corner of Section twenty-three (23), Township forty-seven (47) North, Range eight (8) East; thence easterly to the north-east corner of said section; thence southerly to the south-east corner of Section fourteen (14), Township forty-six (46) North, Range eight (8) East; thence westerly to the south-west corner of Section fifteen (15), said township; thence northerly to the north-west corner of said section; thence westerly to the south-west corner of Section nine (9), said township; thence northerly to the north-west corner of said section; thence westerly to the south-west corner of Section six (6), said township; thence northerly to the north-east corner of Section twenty-five (25), Township forty-seven (47) North, Range seven (7)

East; thence westerly to the north-west corner of said section; thence southerly to the north-east corner of Section thirty-five (35), said township; thence westerly to the north-west corner of said section; thence southerly to the south-west corner of Section two (2), Township forty-six (46) North, Range seven (7) East; thence easterly to the south-east corner of said section; thence southerly to the south-west corner of the north-west quarter of Section twelve (12), said township, thence easterly to the south-east corner of the north-east quarter of said section; thence southerly to the south-west corner of Section seven (7), Township forty-six (46) North, Range eight (8) East; thence easterly to the south-east corner of the south-west quarter of said section; thence southerly to the south-west corner of the north-east quarter of Section thirty-one (31), said township; thence easterly to the south-east corner of the north-east quarter of Section thirty-five (35), said township; thence northerly to the north-west corner of Section twenty-five (25), said township; thence easterly to the north-east corner of Section thirty (30), Township forty-six (46) North, Range nine (9) East; thence southerly to the south-east corner of Section six (6), Township forty-five (45) North, Range nine (9) East; thence westerly to the north-east corner of Section eleven (11), Township forty-five (45) North, Range eight (8) East; thence southerly to the south-east corner of said section; thence westerly to the south-west corner of said section; thence southerly to the south-east corner of Section fifteen (15), said township; thence westerly to the south-west corner of Section sixteen (16), said township; thence northerly to the north-west corner of said section; thence westerly to the south-west corner of Section seven (7), said township; thence northerly to the north-west corner of said section; thence westerly to the south-west corner of Section three (3), Township forty-five (45) North, Range seven (7) East; thence northerly to the north-west corner of said section; thence westerly to the south-west corner of Township forty-six (46) North, Range seven (7) East; thence northerly to the north-west corner of Section thirty (30), said township; thence easterly to the north-east corner of said section; thence northerly to the north-east corner of Section eighteen (18), said township; thence westerly to the south-west corner of Section twelve (12), Township forty-six (46) North, Range six (6) East; thence northerly to the north-west corner of said section; thence westerly to the south-west corner of Section two (2), said township; thence northerly to the north-west corner of said section; thence westerly to the north-west corner of Section five (5), said township; thence southerly to the south-east corner of Section nineteen (19), said township; thence westerly to the south-west corner of Section twenty-four (24), Township forty-six (46) North, Range five (5) East; thence northerly to the north-west corner of said section; thence westerly to the north-west corner of Section nineteen (19), said township; thence southerly to the north-east corner of Section thirty-six (36), Township forty-six (46) North, Range four (4) East; thence westerly to the north-west corner of said section; thence southerly to the south-west corner of said section; thence westerly to the north-west corner of Section two (2), Township forty-five (45) North, Range four (4) East; thence southerly to the south-east corner of Section thirty-four (34), said township; thence westerly along the Eleventh (11th) Correction Line North to the north-west corner of Section four (4), Township forty-four (44) North, Range four (4) East; thence southerly to the south-west corner of Section sixteen (16), said township; thence easterly to the south-east corner of the south-west quarter of Section thirteen (13), said township; thence northerly to the north-west corner of the north-east quarter of said section; thence easterly to the north-east corner of said section; thence northerly to the north-west corner of Township forty-four (44) North, Range five (5) East; thence easterly along the Eleventh (11th) Correction Line North to the north-east corner of Section six (6), Township forty-four (44) North, Range six (6) East; thence southerly to the north-west corner of Section seventeen (17), said township; thence easterly to the north-east corner of said section; thence southerly to the south-east corner of said section; thence easterly to the north-east corner of Section twenty-one (21), said township; thence southerly to the south-east corner of said section; thence easterly to the north-east corner of Section twenty-five (25), said township; thence southerly to the south-east corner of Section one (1), Township forty-three (43) North, Range six (6) East; thence westerly to the north-west corner of Section eleven (11), said township; thence southerly to the south-west corner of said section; thence westerly to the north-west corner of Section sixteen (16), said township; thence southerly to the north-east corner of Section thirty-two (32), said township; thence westerly to the north-west corner of said section; thence southerly to the south-west corner of said section; thence westerly to the north-west corner of Section two (2), Township forty-two (42) North, Range five (5) East; thence southerly to the north-east corner of Section fifteen (15), said township; thence westerly to the north-west corner of said section; thence southerly to the south-west corner of said section; thence westerly to the north-west corner of Section twenty-one (21), said township; thence southerly to the south-west corner of said section; thence westerly to the north-west corner of Section thirty (30), said township; thence southerly to the south-east corner of Section thirteen (13), Township forty-one (41) North, Range four (4) East; thence westerly to the north-west corner of Section nineteen (19), said township; thence southerly to the south-west corner of said section; thence easterly to the south-east corner of the south-west quarter of said section; thence southerly to the north-west corner of the north-east quarter of Section thirty-one (31), said township; thence easterly to the north-east corner of said section; thence southerly along the section lines, allowing for the proper offset on the Tenth (10th) Correction Line North, to the south-east corner of Section seven (7), Township forty (40) North, Range four (4) East; thence westerly to the south-west corner of said section; thence southerly to the south-east corner of Section twenty-four (24), Township forty (40) North, Range three (3) East; thence westerly to the south-west corner of Section twenty (20), said township; thence northerly to the south-east corner of Section eighteen (18), said township; thence westerly to the south-west corner of the south-east quarter of said section; thence northerly to the north-east corner of the north-west quarter of said section; thence westerly to the north-west corner of said section; thence northerly to the north-east corner of the south-east quarter of Section twelve (12), Township forty (40) North, Range two (2) East; thence westerly to the south-west corner of the north-west quarter of said section; thence northerly to the south-east corner of Section two (2), said township; thence westerly to the south-west corner of said section; thence northerly along the section lines, allowing for the proper offset on the Tenth (10th) Correction Line North, to the north-east corner of Section thirty-four (34), Township forty-one (41) North, Range two (2) East; thence westerly to the south-west corner of Section twenty-nine (29), said township; thence northerly to the north-east corner of Section seven (7), said township; thence westerly to the north-west corner of said section; thence northerly to the north-west corner of said township; thence westerly to the south-west corner of Section thirty-three (33), Township forty-two (42) North, Range one (1) East; thence northerly to the north-east corner of Section twenty (20), said township; thence westerly to the south-west corner of Section eighteen (18), Township forty-two (42) North, Range one (1) West; thence northerly to the north-west corner of said township; thence westerly to the south-west corner of Township forty-three (43) North, Range three (3) West; thence northerly to the north-west corner of Township forty-four (44) North, Range three (3) West; thence easterly along the Eleventh (11th) Correction Line North to the north-east corner of Section five (5), Township forty-four (44) North, Range two (2) West; thence southerly to the south-west corner of Section sixteen (16), said township; thence easterly to the south-east corner of Section fourteen (14), said township; thence northerly to the north-east corner of said section; thence easterly to the south-east corner of Section twelve (12), said township; thence northerly to the north-east coner of said section; thence easterly to the south-east corner of Section five (5), Township forty-four (44) North, Range one (1) West; thence northerly along the section lines, allowing for the proper offset on the Eleventh (11th) Correction Line North, to the north-west corner of Section twenty-one (21), Township forty-five (45) North, Range one (1) West; thence easterly to the south-west corner of Section fourteen (14), said township; thence northerly to the north-west corner of said section; thence easterly to the north-east corner of said section; thence northerly to the north-east corner of Section twenty-six (26), Township forty-six (46) North, Range one (1) West; thence westerly to the north-west corner of said section; thence northerly to the north-west corner of Section two (2), said township; thence easterly to the north-east corner of said township; thence northerly along the New Mexico Principal Meridian to the north-west corner of Section seven (7), Township forty-seven (47) North, Range one (1) East; thence easterly to the north-east corner of Section twelve (12), said township; thence southerly to the south-east corner of Section twelve (12), Township forty-six (46) North, Range one (1) East; thence westerly to the south-west corner of said section; thence southerly to the north-east corner of Section twenty-six (26), said township; thence westerly to the north-west corner of said section; thence southerly to the south-west corner of Section eleven (11), Township forty-five (45) North, Range one (1) East; thence easterly to the south-east corner of said section; thence northerly to the north-east corner of said section; thence easterly to the south-west corner of Section six (6), Township forty-five (45) North, Range two (2) East; thence northerly to the north-west corner of said section; thence easterly to the north-east corner of said section; thence southerly to the south-west corner of Section twenty-nine (29), said township; thence easterly to the south-west corner of Section twenty-five (25), said township; thence northerly to the north-west corner of said section; thence easterly to the north-east corner of said section; thence northerly to the north-west corner of Section nineteen (19), Township forty-five (45) North, Range three (3) East; thence easterly to the north-east corner of said section; thence northerly to the north-west corner of Section seventeen (17), said township; thence easterly to the north-east corner of said section; thence northerly to the north-east corner of Section five (5), said township; thence westerly to the south-east corner of Section thirty-five (35), Township forty-six (46) North, Range two (2) East; thence northerly to the north-east corner of said section; thence westerly to the north-west corner of said section; thence northerly to the north-west corner of Section fourteen (14), said township; thence easterly to the south-east corner of Section twelve (12), said township; thence northerly to the north-east corner of Section thirty-six (36), Township forty-seven (47) North, Range two (2) East; thence westerly to the south-west corner of Section twenty-six (26), said township; thence northerly to the north-west corner of Section fourteen (14), said township; thence easterly to the south-east corner of section nine (9), Township forty-seven (47) North, Range three (3) East; thence northerly to the north-west corner of Section thirty-four (34), Township forty-eight (48) North, Range three (3) East; thence easterly to the north-east corner of Section thirty-four (34), Township forty-eight (48) North, Range five (5) East; thence southerly to the south-east corner of said section; thence easterly to the south-east corner of said township; thence northerly to the north-east corner of Section twenty-five (25), said township; thence westerly to the south-west corner of Section twenty-three (23), said township; thence northerly to the south-east corner of Section ten (10), said township; thence westerly to the south-west corner of the south-east quarter of said section; thence northerly along the quarter-section lines, allowing for the proper offset on the Twelfth (12th) Correction Line North, to the south-east corner of the south-west quarter of Section fifteen (15), Township forty-nine (49) North, Range five (5) East; thence westerly to the south-west corner of said section; thence northerly to the north-west corner of said section; thence westerly to the north-west corner of the north-east quarter of Section seventeen (17), said township; thence southerly to the south-west corner of the north-east quarter of Section twenty (20), said township; thence easterly to the north-east corner of the south-east quarter of said section; thence southerly along the section lines, allowing for the proper offset on the Twelfth (12th) Correction Line North, to the south-east corner of Section eight (8), Township forty-eight (48) North, Range five (5) East; thence westerly to the south-west corner of said section; thence southerly to the south-east corner of Section eighteen (18), said township; thence westerly to the south-west corner of said section; thence northerly along the range line, allowing for the proper offset on the Twelfth (12th) Correction Line North, to the south-east corner of Section one (1), Township forty-nine (49) North, Range four (4) East; thence westerly to the south-west corner of said section; thence northerly to the north-west corner of said section; thence westerly to the north-west corner of Section two (2), said township; thence southerly to the south-west corner of said section; thence westerly to the south-west corner of Section six (6), said township; thence northerly to the north-west corner of Township fifty (50) North, Range four (4) East; the place of beginning;

Excepting from the force and effect of this proclamation all lands which may have been, prior to the date hereof, embraced in any legal entry or covered by any lawful filing duly of record in the proper

United States Land Office, or upon which any valid settlement has been made pursuant to law, and the statutory period within which to make entry or filing of record has not expired: *Provided*, that this exception shall not continue to apply to any particular tract of land unless the entryman, settler or claimant continues to comply with the law under which the entry, filing or settlement was made.

Warning is hereby expressly given to all persons not to make settlement upon the lands reserved by this proclamation.

The reservation hereby established shall be known as The Cochetopah Forest Reserve.

In witness whereof, I have hereunto set my hand and caused the seal of the United States to be affixed.

[SEAL.] DONE at the City of Washington this 13th day of June, in the year of our Lord one thousand nine hundred and five, and of the Independence of the United States the one hundred and twenty-ninth.

THEODORE ROOSEVELT.

By the President:
FRANCIS B. LOOMIS,
Acting Secretary of State.

BY THE PRESIDENT OF THE UNITED STATES OF AMERICA.

A PROCLAMATION.

Whereas, it is provided by section twenty-four of the Act of Congress, approved March third, eighteen hundred and ninety-one, entitled, "An act to repeal timber-culture laws, and for other purposes", "That the President of the United States may, from time to time, set apart and reserve, in any State or Territory having public land bearing forests, in any part of the public lands wholly or in part covered with timber or undergrowth, whether of commercial value or not, as public reservations, and the President shall, by public proclamation, declare the establishment of such reservations and the limits thereof";

And whereas, the public lands in the State of Colorado, within the limits hereinafter described, are in part covered with timber, and it appears that the public good would be promoted by setting apart and reserving said lands as a public reservation;

Now, therefore, I, THEODORE ROOSEVELT, President of the United States, by virtue of the power in me vested by section twenty-four of the aforesaid Act of Congress, do hereby make known and proclaim that there are hereby reserved from entry or settlement and set apart as a Public Reservation all those certain tracts, pieces or parcels of land lying and being situate in the State of Colorado, and within the boundaries particularly described as follows:

Beginning at the north-west corner of Section fifteen (15), Township forty-two (42) North, Range thirteen (13) West, New Mexico Principal Meridian, Colorado; thence easterly to the north-east corner of Section eighteen (18), Township forty-two (42) North, Range twelve (12) West; thence southerly to the south-west corner of Section twenty (20), said township; thence easterly to the south-east corner of Section nineteen (19), Township forty-two (42) North, Range eleven (11) West; thence northerly to the north-west corner of Section five (5), said township; thence easterly to the north-east corner of Section four (4), said township; thence southerly to the south-west corner of Section twenty-two (22), said township; thence easterly to the south-east corner of Section twenty-four (24), said township; thence northerly to the north-east corner of said section; thence easterly to the north-east corner of Section twenty-one (21), Township forty-two (42) North, Range ten (10) West; thence southerly to the south-east corner of said section; thence easterly to the north-east corner of Section twenty-five (25), said township; thence southerly to the south-east corner of said township; thence easterly to the north-east corner of Section three (3), Township forty-one (41) North, Range nine (9) West; thence southerly to the south-west corner of Section twenty-three (23), said township; thence easterly to the north-east corner of Section twenty-five (25), said township; thence southerly, allowing for the proper offset on the Tenth (10th) Correction Line North, to the south-east corner of Section twenty-five (25), Township forty (40) North, Range nine (9) West; thence westerly to the north-west corner of Section thirty-five (35), said township; thence southerly to the south-east corner of Section twenty-two (22), Township thirty-nine (39) North, Range nine (9) West; thence westerly to the south-west corner of said section; thence southerly to the south-east corner of Section four (4), Township thirty-seven (37) North, Range nine (9) West; thence westerly to the north-west corner of Section seven (7), said township; thence southerly, allowing for the proper offset on the Ninth (9th) Correction Line North, to the south-east corner of Section twelve (12), Township thirty-six (36) North, Range ten (10) West; thence westerly to the north-west corner of Section fifteen (15), said township; thence southerly to the south-east corner of Section twenty-one (21), said township; thence westerly to the north-east corner of Section twenty-five (25), Township thirty-six (36) North, Range eleven (11) West; thence southerly to the south-east corner of said section; thence westerly to the south-west corner of Section twenty-six (26), said township; thence northerly to the north-west corner of said section; thence westerly to the south-west corner of Section twenty-two (22), said township; thence northerly to the north-west corner of said section; thence westerly to the north-east corner of Section twenty-four (24), Township thirty-six (36) North, Range twelve (12) West; thence southerly to the south-east corner of said section; thence westerly to the south-west corner of Section twenty-two (22), said township; thence northerly to the south-east corner of Section nine (9), said township; thence westerly to the south-west corner of said section; thence northerly to the north-west corner of said section; thence westerly to the south-west corner of Section six (6), said township; thence northerly, allowing for the proper offset on the Ninth (9th) Correction Line North, to the north-east corner of Section twelve (12), Township thirty-seven (37) North, Range thirteen (13) West; thence westerly to the south-west corner of the south-east quarter of Section five (5), said township; thence northerly to the north-east corner of the north-west quarter of said section; thence westerly to the south-west corner of Section thirty-five (35), Township thirty-eight (38) North, Range fourteen (14) West; thence northerly to the north-east corner of Section twenty-two (22), said township; thence westerly to the north-west corner of said section; thence northerly to the north-east corner of Section four (4), said township; thence westerly to the south-west corner of Township thirty-nine (39) North, Range fourteen (14) West; thence northerly to the north-west corner of Section thirty-one (31), said township; thence easterly to the north-east corner of said section; thence northerly to the north-west corner of Section twenty-nine (29), said township; thence easterly to the south-east corner of the south-west quarter of Section twenty-one (21), said township; thence northerly to the north-east corner of the south-west quarter of said section; thence easterly to the south-east corner of the north-east quarter of Section twenty-two (22), said township; thence northerly to the north-east corner of said section; thence easterly to the south-east corner of the south-west quarter of Section fourteen (14), said township; thence northerly to the north-east corner of the south-west quarter of said section; thence westerly to the north-west corner of the south-west quarter of Section fifteen (15), said township; thence northerly to the north-west corner of said section; thence westerly to the south-west corner of the south-east quarter of Section nine (9), said township; thence northerly to the north-west corner of the north-east quarter of said section; thence westerly to the north-east corner of the north-west quarter of the north-west quarter of Section twelve (12), Township thirty-nine (39) North, Range fifteen (15) West; thence southerly to the north-east corner of the south-west quarter of the south-west quarter of Section thirteen (13), said township; thence westerly to the north-west corner of the south-west quarter of the south-west quarter of said section; thence southerly to the south-east corner of the north-east quarter of Section twenty-three (23), said township; thence westerly to the north-west corner of the south-west quarter of said section; thence southerly to the south-east corner of Section thirty-four (34), said township; thence westerly to the south-west corner of said township; thence northerly to the north-west corner of Section seven (7), said township; thence easterly to the south-east corner of Section three (3), said township; thence northerly to the north-east corner of said section; thence easterly to the south-east corner of Section thirty-two (32), Township forty (40) North, Range fourteen (14) West; thence northerly to the north-east corner of said section; thence easterly to the north-east corner of Section thirty-six (36), said township; thence southerly to the south-west corner of Township forty (40) North, Range thirteen (13) West; thence easterly to the south-east corner of Section thirty-three (33), said township; thence northerly to the north-east corner of said section; thence easterly to the south-east corner of Section twenty-seven (27), said township; thence northerly to the north-east corner of said section; thence easterly to the south-east corner of Section twenty-four (24), said township; thence northerly to the south-east corner of Section one (1), said township; thence westerly to the south-west corner of said section; thence northerly to the north-west corner of said section; thence easterly to the south-east corner of Section thirty-two (32), Township forty-one (41) North, Range twelve (12) West; thence northerly to the north-east corner of Section five (5), said township; thence westerly to the south-west corner of Section thirty-four (34), Township forty-two (42) North, Range thirteen (13) West; thence northerly to the north-west corner of Section fifteen (15), said township, the place of beginning;

Excepting from the force and effect of this proclamation all lands which may have been, prior to the date hereof, embraced in any legal entry or covered by any lawful filing duly of record in the proper United States Land Office, or upon which any valid settlement has been made pursuant to law, and the statutory period within which to make entry or filing of record has not expired: *Provided*, that this exception shall not continue to apply to any particular tract of land unless the entryman, settler or claimant continues to comply with the law under which the entry, filing or settlement was made.

Warning is hereby expressly given to all persons not to make settlement upon the lands reserved by this proclamation.

The reservation hereby established shall be known as The Montezuma Forest Reserve.

In witness whereof, I have hereunto set my hand and caused the seal of the United States to be affixed.

Done at the City of Washington this 13th day of June, in the year of our Lord one thousand nine hundred and five and of the Independence of the United States the one hundred and twenty-ninth

[SEAL.]

THEODORE ROOSEVELT

By the President:

Francis B. Loomis,

Acting Secretary of State

By the President of the United States of America

A PROCLAMATION

Whereas, it is provided by section twenty-four of the Act of Congress, approved March third, eighteen hundred and ninety-one entitled, "An act to repeal timber-culture laws, and for other purposes", "That the President of the United States may, from time to time, set apart and reserve, in any State or Territory having public land bearing forests, in any part of the public lands wholly or in part covered with timber or undergrowth, whether of commercial value or not, as public reservations, and the President shall, by public proclamation, declare the establishment of such reservations and the limits thereof";

And whereas, the public lands in the State of Colorado, within the limits hereinafter described, are in part covered with timber, and it appears that the public good would be promoted by setting apart and reserving said lands as a public reservation;

Now, therefore, I, Theodore Roosevelt, President of the United States, by virtue of the power in me vested by section twenty-four of the aforesaid Act of Congress, do hereby make known and proclaim that there are hereby reserved from entry or settlement and set apart as a Public Reservation all those certain tracts, pieces or parcels of land lying and being situate in the State of Colorado, and within the boundaries particularly described as follows:

Beginning at the north-west corner of Section eighteen (18), Township fifteen (15) South, Range one hundred and two (102) West, Sixth (6th) Principal Meridian, Colorado; thence easterly to the north-east corner of Section sixteen (16), said township; thence southerly to the south-east corner of the north-east quarter of said section; thence easterly to the south-east corner of the north-east quarter of Section thirteen (13), said township; thence northerly to the north-west corner of Section seven (7), Township fifteen (15) South Range one hundred and one (101) West; thence easterly to the south-west corner of Section four (4), said township; thence northerly to the north-west corner of said section; thence easterly to the north-east corner of Section six (6), Township fifteen (15) South, Range one hundred (100) West; thence southerly to the south-west corner of Section eight (8), said township; thence easterly to the north-east corner of Section seventeen (17), said township; thence southerly to the south-west corner of Section sixteen (16), said township; thence easterly to the north-east corner of Section twenty-two (22), said township; thence southerly to the south-west corner of Section twenty-three (23), said township; thence easterly to the north-east corner of Section twenty-six (26), said township; thence southerly to the south-west corner of Section twenty-five (25), said township; thence easterly to the north-east corner of Section thirty-six (36), said township; thence southerly to the south-west corner of Township fifteen (15) South, Range ninety-nine (99) West; thence easterly along the Third (3rd) Correction Line South to the north-east corner of fractional Township fifty-one (51) North, Range fifteen (15) West, New Mexico Principal Meridian; thence southerly to the north-west corner of Section seven (7), Township fifty (50) North, Range fourteen (14) West; thence easterly to the north-east corner of said section; thence southerly to the south-east corner of the north-east quarter of said section; thence easterly to the north-east corner of the south-east quarter of Section seven (7), Township fifty (50) North, Range thirteen (13) West; thence southerly to the south-west corner of Section five (5), Township forty-nine (49) North, Range thirteen (13) West; thence easterly to the north-east corner of Section eleven (11), Township forty-nine (49) North, Range twelve (12) West; thence southerly to the south-west corner of Section thirty-six (36), said township; thence easterly to the north-east corner of Section two (2), Township forty-eight (48) North, Range twelve (12) West; thence southerly to the south-west corner of Section thirteen (13), said township; thence easterly to the south-east corner of said section; thence southerly to the south-east corner of said township; thence easterly to the north-east corner of Section five (5), Township forty-seven (47) North, Range eleven (11) West; thence southerly to the south-west corner of Section sixteen (16), said township; thence easterly to the north-west corner of Section twenty-four (24), Township forty-seven (47) North, Range ten (10) West; thence southerly to the south-west corner of said section; thence easterly to the south-east corner of said section; thence southerly to the south-east corner of Section twenty-three (23), Township forty-six (46) North, Range ten (10) West; thence westerly to the south-west corner of Section twenty-eight (28), said township; thence northerly to the north-west corner of said section; thence westerly to the south-east corner of

Section twenty-three (23), Township forty-six (46) North, Range eleven (11) West; thence northerly to the north-east corner of said section; thence westerly to the north-west corner of said section; thence northerly to the north-east corner of Section fifteen (15), said township; thence westerly to the south-west corner of Section seven (7), Township forty-six (46) North, Range twelve (12) West; thence northerly to the south-east corner of Township forty-seven (47) North, Range thirteen (13) West; thence westerly to the south-west corner of Section thirty-six (36), said township; thence northerly to the north-west corner of said section; thence westerly to the south-east corner of Section twenty-eight (28), said township; thence northerly to the north-east corner of said section; thence westerly to the north-west corner of said section; thence northerly to the north-east corner of Section five (5), said township; thence westerly to the south-east corner of Township forty-eight (48) North, Range fifteen (15) West; thence northerly to the north-east corner of Section twenty-five (25), said township; thence westerly to the south-west corner of Section twenty-two (22), said township; thence northerly to the north-west corner of said section; thence westerly to the south-west corner of Section eighteen (18), said township; thence northerly to the north-west corner of said section; thence westerly to the south-west corner of Section eleven (11), Township forty-eight (48) North, Range sixteen (16) West; thence northerly to the north-east corner of Section three (3), said township; thence westerly to the south-west corner of Section thirty-three (33), Township forty-nine (49) North, Range sixteen (16) West; thence northerly to the south-east corner of Section eight (8), said township; thence westerly to the south-west corner of said section; thence northerly to the north-west corner of said section; thence westerly to the south-west corner of Section six (6), said township; thence northerly to the north-west corner of said township; thence westerly to the south-west corner of Section thirty-five (35), Township fifty (50) North, Range seventeen (17) West; thence northerly to the north-east corner of Section twenty-seven (27), said township; thence westerly to the south-west corner of Section twenty-two (22), said township; thence northerly to the north-east corner of Section twenty-one (21), said township; thence westerly to the south-west corner of Section sixteen (16), said township; thence northerly to the north-east corner of Section seventeen (17), said township; thence westerly to the south-west corner of Section eight (8), said township; thence northerly to the north-east corner of Section seven (7), said township; thence westerly to the south-west corner of Section six (6), said township; thence northerly to the north-west corner of said township; thence westerly to the south-west corner of Section thirty-five (35), fractional Township fifty-one (51)

North, Range eighteen (18) West; thence northerly to the north-east corner of Section twenty-two (22), said township; thence westerly to the south-west corner of the south-east quarter of Section sixteen (16), said township; thence northerly along the quarter-section lines to the point of intersection with the Third (3rd) Correction Line South, Sixth (6th) Principal Meridian; thence easterly along the said Correction Line to the south-west corner of Township fifteen (15) South, Range one hundred and two (102) West; thence northerly to the north-west corner of Section eighteen (18), said township, the place of beginning; such of the above-named corners as have not been established by the official surveys being intended to be located at the points where such corners would fall in projecting the surveys in the directions indicated without allowing for any irregularities which may occur in actually extending the surveys;

Excepting from the force and effect of this proclamation all lands which may have been, prior to the date hereof, embraced in any legal entry or covered by any lawful filing duly of record in the proper United States Land Office, or upon which any valid settlement has been made pursuant to law, and the statutory period within which to make entry or filing of record has not expired: *Provided*, that this exception shall not continue to apply to any particular tract of land unless the entryman, settler or claimant continues to comply with the law under which the entry, filing or settlement was made.

Warning is hereby expressly given to all persons not to make settlement upon the lands reserved by this proclamation.

The reservation hereby established shall be known as The Uncompahgre Forest Reserve.

In witness whereof, I have hereunto set my hand and caused the seal of the United States to be affixed.

[SEAL.] DONE at the City of Washington this 14th day of June, in the year of our Lord one thousand nine hundred and five, and of the Independence of the United States the one hundred and twenty-ninth.

THEODORE ROOSEVELT.

By the President:

FRANCIS B. LOOMIS,
Acting Secretary of State.

BY THE PRESIDENT OF THE UNITED STATES OF AMERICA.

A PROCLAMATION.

Whereas, it is provided by section 13 of the Act of Congress of March 3, 1891, entitled, "An act to amend title sixty, chapter three, of the Revised Statutes of the United States, relating to copyrights", that said act "shall only apply to a citizen or subject of a foreign state or nation when such foreign state or nation permits to citizens of the United States of America the benefit of copyright on substantially the same basis as its own citizens; or when such foreign state or nation is a party to an international agreement which provides for reciprocity in the granting of copyright, by the terms of which agreement the United States of America may, at its pleasure, become a party to such agreement";

And whereas, it is also provided by said section that "the existence of either of the conditions aforesaid shall be determined by the President of the United States by proclamation made from time to time as the purposes of this act may require";

And whereas, satisfactory official assurances have been given that in Norway the law permits to citizens of the United States the benefit of copyright on substantially the same basis as to the citizens of that country;

Now, therefore, I, THEODORE ROOSEVELT, President of the United States of America, do declare and proclaim that the first of the conditions specified in section 13 of the act of March 3, 1891, is now fulfilled in respect to the subjects of Norway.

In testimony whereof, I have hereunto set my hand and caused the seal of the United States to be affixed.

[SEAL.] DONE at the City of Washington this first day of July, in the year of our Lord one thousand nine hundred and five, and of the Independence of the United States of America, the one hundred and twenty-ninth.

THEODORE ROOSEVELT.

By the President:

HERBERT H. D. PEIRCE,
Acting Secretary of State.

BY THE PRESIDENT OF THE UNITED STATES OF AMERICA.

A PROCLAMATION.

John Hay, Secretary of State of the United States, died on July 1st. His death, a crushing sorrow to his friends, is to the people of this country a national bereavement; and it is in addition a serious loss to all mankind, for to him it was given to stand as a leader in the effort to better world-conditions by striving to advance the cause of international peace and justice. He entered the public service as the trusted and intimate companion of Abraham Lincoln, and for well-nigh forty-five years he served his country with loyal devotion and high ability in many positions of honor and trust; and finally he crowned his life work by serving as Secretary of State with such farsighted reading of the future and such loyalty to lofty ideals as to confer lasting benefits not only upon our own country but upon all the nations of the earth.

As a suitable expression of national mourning, I direct that the Diplomatic representatives of the United States in all foreign countries display the flags over their embassies and legations at half-mast for ten days; that for a like period the flag of the United States be displayed at half-mast at all forts and military posts and at all naval stations and on all vessels of the United States.

I further order that on the day of the funeral the Executive Departments in the city of Washington be closed and that on all public buildings throughout the United States the national flag be displayed at half-mast.

DONE at the City of Washington, this third day of July,
[SEAL.] A. D., 1905, and of the Independence of the United States
of America the one hundred and twenty-ninth.

THEODORE ROOSEVELT.

By the President:
HERBERT H. D. PEIRCE,
Acting Secretary of State.

BY THE PRESIDENT OF THE UNITED STATES OF AMERICA.

A PROCLAMATION.

Whereas, it was provided by the act of Congress, approved May 27, A. D. 1902 (32 Stat., 263), among other things, that on October 1, 1903, the unallotted lands in the Uintah Indian Reservation, in the State of Utah, "shall be restored to the public domain: *Provided*, That persons entering any of said lands under the homestead laws shall pay therefor at the rate of one dollar and twenty-five cents per acre";

And whereas, the time for the opening of said unallotted lands was extended to October 1, 1904, by the act of Congress, approved March 3, 1903 (32 Stat., 998), and was extended to March 10, 1905, by the act of Congress, approved April 21, 1904 (33 Stat., 207) and was again extended to not later than September 1, 1905, by the act of Congress, approved March 3, 1905 (33 Stat., 1069), which last named act provided, among other things:

"That the said unallotted lands, excepting such tracts as may have been set aside as national forest reserve, and such mineral lands as were disposed of by the Act of Congress of May twenty-seventh, nineteen hundred and two, shall be disposed of under the general provisions of the homestead and townsite laws of the United States, and shall be opened to settlement and entry by proclamation of the President, which proclamation shall prescribe the manner in which these lands may be settled upon, occupied, and entered by persons entitled to make entry thereof; and no person shall be permitted to settle upon, occupy, or enter any of said lands, except as prescribed in said proclamation, until after the expiration of sixty days from the time when the same are thereby opened to settlement and entry: *Provided*, That the rights of honorably discharged Union soldiers and sailors of the late civil and the Spanish war or Philippine insurrection, as defined and described in sections twenty-three hundred and four and twenty-three hundred and five of the Revised Statutes, as amended by the Act of March first, nineteen hundred and one, shall not be abridged."

Now, therefore, I, THEODORE ROOSEVELT, President of the United States of America, by virtue of the power in me vested by said acts of Congress, do hereby declare and make known that all the unallotted lands in said reservation, excepting such as have at that time been reserved for military, forestry, and other purposes, and such mineral lands as may have been disposed of under existing laws, will, on and after the 28th day of August, 1905, in the manner hereinafter prescribed, and not otherwise, be opened to entry, settlement, and disposition under the general provisions of the homestead and townsite laws of the United States; and it is further directed and prescribed that:

Commencing at 9 o'clock a. m., Tuesday, August 1, 1905, and ending at 6 o'clock p. m., Saturday, August 12, 1905, a registration will be had at Vernal, Price, and Provo, State of Utah, and at Grand Junction, State of Colorado, for the purpose of ascertaining what persons desire to enter, settle upon, and acquire title to any of said lands under the homestead law, and of ascertaining their qualifications so to do. To obtain registration each applicant will be required to show himself duly qualified, by written application to be made only on a blank form provided by the Commissioner of the General Land Office, to make homestead entry of these lands under existing laws, and to give the registering officer such appropriate matters of description and identity as will protect the applicant and the Government against any attempted impersonation. Registration can not be effected through the use of the mails or the employment of an agent, excepting that honorably discharged soldiers and sailors entitled to the benefits of section 2304 of the Revised Statutes of the United States, as amended by the act of Congress, approved March 1, 1901 (31 Stat., 847), may present their applications for registration and due proofs of their qualifications through an agent of their own selection, having a duly executed power of attorney on a blank form provided by the Commissioner of the

General Land Office, but no person will be permitted to act as agent for more than one such soldier or sailor. No person will be permitted to register more than once or in other than his true name.

Each applicant who shows himself duly qualified will be registered and given a nontransferable certificate to that effect, which will entitle him to go upon and examine the lands to be opened hereunder; but the only purpose for which he can go upon and examine said lands is that of enabling him later on, as herein provided, to understandingly select the lands for which he may make entry. No one will be permitted to make settlement upon any of said lands in advance of the opening herein provided for, and during the first sixty days following said opening no one but registered applicants will be permitted to make homestead settlement upon any of said lands, and then only in pursuance of a homestead entry duly allowed by the local land officers, or of a soldier's declaratory statement duly accepted by such officers.

The order in which, during the first sixty days following the opening, the registered applicants will be permitted to make homestead entry of the lands opened hereunder, will be determined by a drawing for the district publicly held at Provo, Utah, commencing at 9 o'clock a. m., Thursday, August 17, 1905, and continuing for such period as may be necessary to complete the same. The drawing will be had under the supervision and immediate observance of a committee of three persons whose integrity is such as to make their control of the drawing a guaranty of its fairness. The members of this committee will be appointed by the Secretary of the Interior, who will prescribe suitable compensation for their services. Preparatory to this drawing the registration officers will, at the time of registering each applicant who shows himself duly qualified, make out a card, which must be signed by the applicant, and giving such a description of the applicant as will enable the local land officers to thereafter identify him. This card will be subsequently sealed in a separate envelope which will bear no other distinguishing label or mark than such as may be necessary to show that it is to go into the drawing. These envelopes will be carefully preserved and remain sealed until opened in the course of the drawing herein provided. When the registration is completed all of these sealed envelopes will be brought together at the place of drawing and turned over to the committee in charge of the drawing, who, in such manner as in their judgment will be attended with entire fairness and equality of opportunity, shall proceed to draw out and open the separate envelopes and to give to each inclosed card a number in the order in which the envelope containing the same is drawn. The result of the drawing will be certified by the committee to the officers of the district and will determine the order in which the applicants may make homestead entry of said lands and settlement thereon.

Notice of the drawings, stating the name of each applicant and number assigned to him by the drawing, will be posted each day at the place of drawing, and each applicant will be notified of his number and of the day upon which he must make his entry by a postal card mailed to him at the address given by him at the time of registration. The result of each day's drawing will also be given to the press to be published as a matter of news. Applications for homestead entry of said lands during the first sixty days following the opening can be made only by registered applicants and in the order established by the drawing.

Commencing on Monday, August 28, 1905, at 9 o'clock a. m., the applications of those drawing numbers 1 to 50, inclusive, must be presented at the land office in the town of Vernal, Utah, in the land district in which said lands are situated, and will be considered in their numerical order during the first day, and the applications of those drawing numbers 51 to 100, inclusive, must be presented and will be considered in their numerical order during the second day, and so on at that rate until all of said lands subject to entry under the homestead law, and desired thereunder, have been entered. If any applicant fails to appear and present his application for entry when the number assigned to him by the drawing is reached, his right to enter will be passed until after the other applications assigned for that day have been disposed of, when he will be given another opportunity to make entry, failing in which he will be deemed to have abandoned his right to make entry under such drawing.

To obtain the allowance of a homestead entry, each applicant must personally present the certificate of registration theretofore issued to him, together with a regular homestead application and the necessary accompanying proofs, together with the regular land office fees, but an honorably discharged soldier or sailor may file his declaratory statement through his agent, who can represent but one soldier or sailor as in the matter of registration.

Persons who make homestead entry for any of these lands will be required to pay therefor at the rate of one dollar and twenty-five cents per acre when they make final proof, but no payment, other than the usual fees and commissions, will be required at the time the entry is made.

Persons who apply to make entry of these lands prior to October 27, 1905, will not be required to file the usual nonmineral affidavit with their applications to enter, but such affidavit must be filed before final proof is accepted under their entries; but all persons who make entry after that date will be required to file that affidavit with their applications to enter.

The production of the certificate of registration will be dispensed with only upon satisfactory proof of its loss or destruction. If at the time of considering his regular application for entry it appears that an applicant is disqualified from making homestead entry of these lands, his application will be rejected, notwithstanding his prior registration. If any applicant shall register more than once hereunder, or in any other than his true name, or shall transfer his registration certificate, he will thereby lose all the benefits of the registration and drawing herein provided for, and will be precluded from entering or settling upon any of said lands during the first sixty days following said opening.

Any person or persons desiring to found, or to suggest establishing, a townsite upon any of the said lands, at any point, may, at any time before the opening herein provided for, file in the land office a written application to that effect, describing by legal subdivisions the lands intended to be affected, and stating fully and under oath the necessity or propriety of founding or establishing a town at that place. The local officers will forthwith transmit said petition to the Commissioner of the General Land Office with their recommendation in the premises. Such Commissioner, if he believes the public interests will be subserved thereby, will, if the Secretary of the Interior approve thereof, issue an order withdrawing the lands described in such petition, or any portion thereof, from homestead entry and settlement and directing that the same be held for the time being for disposal under the townsite laws of the United States in such manner as the Secretary of the Interior may from time to time direct; and, if at any time after such withdrawal has been made it is determined that the lands so withdrawn are not needed for townsite purposes they may be released from such withdrawal and then disposed of under the general provisions of the homestead laws in the manner prescribed herein.

All persons are especially admonished that under the said act of Congress approved March 3, 1905, it is provided that no person shall be permitted to settle upon, occupy, or enter any of said lands, except in the manner prescribed in this proclamation, until after the expiration of sixty days from the time when the same are opened to settlement and entry. After the expiration of the said period of sixty days, but not before, as hereinbefore prescribed, any of said lands remaining undisposed of may be settled upon, occupied, and entered under the general provisions of the homestead and townsite laws of the United States in like manner as if the manner of effecting such settlement, occupancy, and entry had not been prescribed herein in obedience to law.

The Secretary of the Interior shall prescribe all needful rules and regulations necessary to carry into full effect the opening herein provided for.

In witness whereof, I have hereunto set my hand and caused the seal of the United States to be affixed.

[SEAL.] DONE at the City of Washington this 14th day of July, in the year of our Lord one thousand nine hundred and five, and of the Independence of the United States the one hundred and thirtieth.

THEODORE ROOSEVELT.

By the President:

ALVEY A. ADEE,
Acting Secretary of State.

BY THE PRESIDENT OF THE UNITED STATES OF AMERICA.

A PROCLAMATION.

Whereas, it is provided by section twenty-four of the Act of Congress, approved March third, eighteen hundred and ninety-one, entitled, "An act to repeal timber-culture laws, and for other purposes", "That the President of the United States may, from time to time, set apart and reserve, in any State or Territory having public land bearing forests, in any part of the public lands wholly or in part covered with timber or undergrowth, whether of commercial value or not, as public reservations, and the President shall, by public proclamation, declare the establishment of such reservations and the limits thereof";

And whereas, the public lands in the State of California, within the limits hereinafter described, are in part covered with timber, and it appears that the public good would be promoted by setting apart and reserving said lands as a public reservation;

Now, therefore, I, THEODORE ROOSEVELT, President of the United States, by virtue of the power in me vested by section twenty-four of the aforesaid Act of Congress, do hereby make known and proclaim that there are hereby reserved from entry or settlement and set apart as a Public Reservation all those certain tracts, pieces or parcels of land lying and being situate in the State of California, and within the boundaries particularly described as follows:

Beginning at the north-west corner of Section thirty-one (31), Township thirty (30) North, Range ten (10) East, Mount Diablo Base and Meridian, California; thence easterly to the north-east corner of Section thirty-five (35), said township; thence southerly to the north-west corner of Section twelve (12), Township twenty-nine (29) North, Range ten (10) East; thence easterly to the north-east corner of said section; thence southerly to the north-east corner of Section thirty-six (36), said township; thence westerly to the north-west corner of said section; thence southerly to the south-west corner of said section; thence easterly to the north-east corner of Section five (5), Township twenty-eight (28) North, Range twelve (12) East; thence southerly to the south-east corner of said section; thence easterly to the north-east corner of Section eleven (11), said township; thence southerly to the south-east corner of said section; thence easterly to the north-east corner of Section thirteen (13), said township; thence southerly to the north-west corner of Section nineteen (19), Township twenty-eight (28) North, Range thirteen (13) East; thence easterly to the north-east corner of Section twenty (20), said township; thence southerly to the south-east corner of said section; thence easterly to the north-east corner of Section twenty-eight (28), said township; thence southerly to the south-east corner of said section; thence easterly to the north-east corner of Section thirty-five (35), said township; thence southerly to the north-west corner of Section twelve (12), Township twenty-seven (27) North, Range thirteen (13) East; thence easterly to the north-east corner of said section; thence southerly to the north-west corner of Section eighteen (18), Township twenty-seven (27) North, Range fourteen (14) East; thence easterly to the north-east corner of said section; thence southerly to the north-west corner of Section twenty-nine (29), said township; thence easterly to the north-east corner of said section; thence southerly to the south-east corner of said section; thence easterly to the north-east corner of Section thirty-three (33), said township; thence southerly to the south-east corner of said section; thence easterly, allowing for the proper offset on the range line, to the north-east corner of Section five (5), Township twenty-six (26) North, Range fifteen (15) East; thence southerly to the north-west corner of Section nine (9), said township; thence easterly to the north-east corner of Section ten (10), said township; thence southerly to the south-east corner of said section; thence easterly to the north-east corner of Section fourteen (14), said township; thence southerly to the south-east corner of said section; thence easterly to the north-east corner of Section twenty-four (24), said township; thence southerly to the north-west corner of Section thirty-one (31), Township twenty-six (26) North, Range sixteen (16) East; thence easterly to the north-east corner of said section; thence southerly to the south-east corner of said section; thence easterly along the Fifth (5th) Standard Parallel North to the north-east corner of Section four (4), Township twenty-five (25) North, Range sixteen (16) East; thence southerly to the north-east corner of Section sixteen (16), said township; thence westerly to the north-west corner of said section; thence southerly to the south-west corner of said section; thence easterly to the north-east corner of Section twenty-two (22), said township; thence southerly to the north-west corner of Section thirty-five (35), said township; thence easterly to the north-east corner of said section; thence southerly to the south-east corner of said section; thence easterly to the north-east corner of Section six (6), Township twenty-four (24) North, Range seventeen (17) East; thence southerly to the south-east corner of said section; thence easterly to the north-east corner of Section eight (8), said township; thence southerly to the south-east corner of Section thirty-two (32), said township; thence westerly to the north-east corner of Section six (6), Township twenty-three (23) North, Range seventeen (17) East; thence southerly to the south-east corner of said section; thence westerly to the north-east corner of Section ten (10), Township twenty-three (23) North, Range sixteen (16) East; thence southerly to the south-east corner of said section; thence westerly to the south-west corner of Section seven (7), Township twenty-three (23) North, Range fifteen (15) East; thence northerly to the north-east corner of Section thirty-six (36), Township twenty-four (24) North, Range fourteen (14) East; thence westerly to the north-west corner of said section; thence southerly to the south-west corner of said section; thence westerly to the south-west corner of said township; thence northerly to the south-east corner of Section twenty-five (25), Township twenty-four (24) North, Range thirteen (13) East; thence westerly to the north-east corner of Section thirty-three (33), said township; thence southerly to the south-east corner of Section nine (9), Township twenty-three (23) North, Range thirteen (13) East; thence westerly to the south-west corner of said section; thence southerly to the south-east corner of Section seventeen (17), said township; thence westerly to the south-west corner of said section; thence southerly to the south-east corner of Section nineteen (19), said township; thence westerly to the south-west corner of said section; thence southerly to the south-east corner of Section twenty-five (25), Township twenty-three (23) North, Range twelve (12) East; thence westerly to the south-west corner of said section; thence southerly to the south-east corner of Section eleven (11), Township twenty-two (22) North, Range twelve (12) East; thence westerly to the south-west corner of said section; thence northerly to the north-west corner of said section; thence westerly to the south-west corner of Section three (3), said township; thence northerly to the north-west corner of said section; thence westerly to the south-west corner of Section thirty-three (33), Township twenty-three (23) North, Range twelve (12) East; thence northerly to the north-west corner of said section; thence westerly to the south-west corner of Section twenty-nine (29), said township; thence northerly to the north-west corner of said section; thence westerly to the south-west corner of Section nineteen (19), said township; thence northerly tc the south-east corner of Section twelve (12), Township twenty-three (23) North, Range eleven (11) East; thence westerly to the south-west corner of said section; thence northerly to the south-east corner of Section two (2), said township; thence westerly to the south-west corner of said section; thence northerly to the south-east corner of Section twenty-seven (27), Township twenty-four (24) North, Range eleven (11) East; thence westerly to the south-west corner of said section; thence northerly to the south-east corner of Section twenty-one (21), said township; thence westerly to the south-west corner of said section; thence northerly to the south-east corner of Section seventeen (17), said township; thence westerly to the south-west corner of said section; thence northerly to the north-west corner of Section five (5), said township; thence westerly to the north-west corner of said township; thence northerly to the south-east corner of Section twenty-five (25), Township twenty-five (25) North, Range ten (10) East; thence westerly to the south-west corner of said section; thence northerly to the south-east corner of Section twenty-three (23), said township; thence westerly to the south-west corner of said section; thence northerly to the south-east corner of Section fifteen (15), said township; thence westerly to the south-west corner of said section; thence northerly to the north-west corner of said section; thence westerly to the south-west corner of Section eight (8), said township; thence northerly to the north-west corner of Section five (5), said township; thence easterly along the Fifth (5th) Standard Parallel North to the south-west corner of Section thirty-five (35), Township twenty-six (26) North, Range ten (10) East; thence northerly to the south-east corner of Section fifteen (15), said township; thence westerly to the south-west corner of said section; thence northerly to the north-west corner of Section three (3), said township; thence westerly to the north-west corner of said township; thence northerly to the south-east corner of Section twenty-five (25), Township twenty-seven (27) North, Range nine (9) East; thence westerly to the north-east corner of Section thirty-three (33), said township; thence southerly to the south-east corner of said section; thence westerly to the south-west corner of said township; thence northerly to the north-west corner of said township; thence easterly to the north-east corner of said township; thence southerly to the north-west corner of Section eighteen (18), Township twenty-seven (27) North, Range ten (10) East; thence easterly to the north-west corner of Section sixteen (16), said township; thence southerly to the south-west corner of said section; thence easterly to the south-east corner of said section; thence northerly to the north-east corner of said section; thence easterly to the south-east corner of Section ten (10), said township; thence northerly to the south-east corner of Section twenty-seven (27), Township twenty-eight (28) North, Range ten (10) East; thence westerly to the south-west corner of said section; thence northerly to the south-east corner of Section four (4), said township; thence westerly to the south-west corner of said section; thence northerly to the south-east corner of Section seventeen (17), Township twenty-nine (29) North, Range ten (10) East; thence westerly to the south-west corner of Section eighteen (18), said township; thence northerly to the north-west corner of Section thirty-one (31), Township thirty (30) North, Range ten (10) East, the place of beginning; such of the above-named corners as have not been established by the official surveys being intended to be located at the points where such corners would fall in projecting the surveys in the directions indicated without allowing for any irregularities which may occur in actually extending the surveys;

Excepting from the force and effect of this proclamation all lands which may have been, prior to the date hereof, embraced in any legal entry or covered by any lawful filing duly of record in the proper United States Land Office, or upon which any valid settlement has been made pursuant to law, and the statutory period within which to make entry or filing of record has not expired: *Provided,* that this exception shall not continue to apply to any particular tract of land unless the entryman, settler or claimant continues to comply with the law under which the entry, filing or settlement was made.

Warning is hereby expressly given to all persons not to make settlement upon the lands reserved by this proclamation.

The reservation hereby established shall be known as The Diamond Mountain Forest Reserve.

In witness whereof, I have hereunto set my hand and caused the seal of the United States to be affixed.

[SEAL.] DONE at the City of Washington this 14th day of July, in the year of our Lord one thousand nine hundred and five, and of the Independence of the United States the one hundred and thirtieth.

THEODORE ROOSEVELT.

By the President:

ALVEY A. ADEE,

Acting Secretary of State.

BY THE PRESIDENT OF THE UNITED STATES OF AMERICA.

A PROCLAMATION.

Whereas, The Uintah Forest Reserve, in the State of Utah, was established by proclamation dated February twenty-second, eighteen hundred and ninety-seven, under and by virtue of section twenty-four of the Act of Congress, approved March third, eighteen hundred and ninety-one, entitled, "An act to repeal timber-culture laws, and for other purposes," which provides, "That the President of the United States may, from time to time, set apart and reserve, in any State or Territory, having public land bearing forests, in any part of the public lands wholly or in part covered with timber or undergrowth, whether of commercial value or not, as public reservations, and the President shall, by public proclamation, declare the establishment of such reservations and the limits thereof";

And whereas, it is provided by the Act of Congress, approved March third, nineteen hundred and five, entitled, "An Act making appropriations for the current and contingent expenses of the Indian Department and for fulfilling treaty stipulations with various Indian tribes for the fiscal year ending June thirtieth, nineteen hundred and six, and for other purposes," that "before the opening of the Uintah Indian Reservation the President is hereby authorized to set apart and reserve as an addition to the Uintah Forest Reserve, subject to the laws, rules and regulations governing forest reserves, and subject to the mineral rights granted by the Act of Congress of May twenty-seventh, nineteen hundred and two, such portion of the lands within the Uintah Indian Reservation as he considers necessary";

And whereas, it is considered necessary for the public good that certain lands in the Uintah Indian Reservation be set apart and reserved as an addition to the Uintah Forest Reserve;

Now, therefore, I, THEODORE ROOSEVELT, President of the United States, by virtue of the power in me vested by the aforesaid act of Congress, approved March third, nineteen hundred and five, do hereby make known and proclaim that certain lands in the said Uintah Indian Reservation are hereby added to and made a part of the Uintah Forest Reserve, and that the boundary lines of the said forest reserve are, accordingly, so changed and extended as to read as follows:

Beginning at the north-west corner of Township one (1) South, Range seven (7) East, Salt Lake Meridian, Utah; thence easterly along the Base Line to the south-west corner of Township one (1) North, Range nine (9) East; thence northerly to the north-west corner of said township; thence easterly to the south-west corner of Township two (2) North, Range fourteen (14) East; thence northerly to the north-west corner of said township; thence easterly to the middle of the channel of the Green River; thence in a general south-easterly direction along the middle of the channel of said river to the range line between Ranges twenty-two (22) and twenty-three (23) East; thence southerly along the range line, allowing for the proper offset on the Base Line, to the south-east corner of Township two (2) South, Range twenty-two (22) East; thence westerly to the north-west corner of Township three (3) South, Range nineteen (19) East; thence southerly to the eastern boundary of the Uintah Indian Reservation; thence northwesterly along said Indian reservation boundary to the section line between Sections twenty-one (21) and twenty-eight (28), Township two (2) North, Range one (1) East, Uintah Meridian; thence westerly to the south-west corner of Section nineteen (19), Township two (2) North, Range one (1) West; thence northerly to the south-east corner of Section thirteen (13), Township two (2) North, Range two (2) West; thence westerly to the south-west corner of said section; thence northerly to the north-west corner of Section twelve (12), said township; thence westerly to the south-west corner of Section four (4), said township; thence northerly to the north-west corner of said section; thence westerly to the north-east corner of Section four (4), Township two (2) North, Range three (3) West; thence southerly to the south-east corner of Section thirty-three (33), said township; thence westerly to the north-east corner of Township one (1) North, Range six (6) West; thence southerly to the south-east corner of Section thirteen (13), said township; thence westerly to the south-west corner of said section; thence northerly to the north-west corner of said section; thence westerly to the south-west corner of Section eleven (11), said township; thence northerly to the north-west corner of said section; thence westerly to the north-east corner of Section eight (8), said township; thence southerly to the south-east corner of Section seventeen (17), said township; thence westerly to the north-east corner of Section twenty-one (21), Township one (1) North, Range nine (9) West; thence southerly to the south-east corner of said section; thence westerly to the south-west corner of Section nineteen (19), said township; thence southerly along the range line, allowing for the proper offset on the Base Line, to the north-west corner of Section eighteen (18), Township one (1) South, Range nine (9) West; thence easterly to the north-east corner of Section sixteen (16), Township one (1) South, Range eight (8) West; thence southerly to the south-east corner of Section thirty-three (33), said township; thence westerly to the north-east corner of Section four (4), Township two (2) South, Range ten (10) West; thence southerly to the south-east corner of Section sixteen (16), said township; thence westerly to the south-west corner of Section eighteen (18), said township; thence southerly to the south-east corner of Township two (2) South, Range eleven (11) West; thence westerly to the south-west corner of Section thirty-three (33), said township; thence northerly to the south-east corner of Section twenty (20), said township; thence westerly to the south-west corner of said section; thence northerly to the south-east corner of Section seven (7), said township; thence westerly to the south-west corner of said section;

thence northerly to the north-west corner of said township; thence westerly to the north-east corner of fractional Section four (4), Township two (2) South, Range twelve (12) West; thence southerly to the south-east corner of Section thirty-three (33), said township; thence easterly to the north-east corner of Section three (3), Township three (3) South, Range twelve (12) West; thence southerly to the south-east corner of said section; thence easterly to the north-east corner of Section eleven (11), said township; thence southerly to the south-east corner of said section; thence easterly to the north-east corner of Section thirteen (13), said township; thence southerly to the south-east corner of Township four (4) South, Range twelve (12) West; thence easterly to the south-west corner of Section thirty-three (33), Township four (4) South, Range eleven (11) West; thence northerly to the north-west corner of said section; thence easterly to the south-west corner of Section twenty-five (25), said township; thence northerly to the north-west corner of said section; thence easterly to the north-east corner of Section thirty (30), Township four (4) South, Range ten (10) West; thence southerly to the south-east corner of Section thirty-one (31), said township; thence easterly to the south-west corner of Township four (4) South, Range nine (9) West; thence northerly to the north-west corner of Section thirty (30), said township; thence easterly to the north-east corner of Section twenty-five (25), said township; thence southerly to the south-east corner of said township; thence easterly to the north-east corner of Section five (5), Township five (5) South, Range eight (8) West; thence southerly to the south-east corner of Section seventeen (17), said township; thence westerly to the south-west corner of Section eighteen (18), said township; thence southerly to the south-east corner of Section twenty-four (24), Township five (5) South, Range nine (9) West; thence westerly to the north-east corner of Section twenty-eight (28), said township; thence southerly to the south-east corner of said section; thence westerly to the south-west corner of Section twenty-nine (29), said township; thence southerly to the north-west corner of Section twenty-nine (29), Township six (6) South, Range nine (9) West; thence easterly to the south-west corner of Section twenty-one (21), Township six (6) South, Range eight (8) West; thence northerly to the north-west corner of Section four (4), said township; thence easterly to the eastern boundary of the Uintah Indian Reservation; thence in a general south-westerly and north-westerly direction along said Indian reservation boundary to the range line between Ranges six (6) and seven (7) East, Salt Lake Meridian; thence northerly to the north-west corner of Township one (1) South, Range seven (7) East, the place of beginning; such of the above-named corners as have not been established by the official surveys being intended to be located at the points where such corners would fall in projecting the surveys in the directions indicated without allowing for any irregularities which may occur in actually extending the surveys;

Excepting from the force and effect of this proclamation all lands which may have been, prior to the date hereof, embraced in any legal entry or covered by any lawful filing duly of record in the proper United States Land Office, or upon which any valid settlement has been made pursuant to law, and the statutory period within which to make entry or filing of record has not expired: *Provided*, that this exception shall not continue to apply to any particular tract of land unless the entryman, settler or claimant continues to comply with the law under which the entry, filing or settlement was made.

Warning is hereby expressly given to all persons not to make settlement upon the lands reserved by this proclamation.

In witness whereof, I have hereunto set my hand and caused the seal of the United States to be affixed.

[SEAL.] Done at the City of Washington this 14th day of July, in the year of our Lord one thousand nine hundred and five, and of the Independence of the United States the one hundred and thirtieth.

THEODORE ROOSEVELT.

By the President:

ALVEY A. ADEE,

Acting Secretary of State.

BY THE PRESIDENT OF THE UNITED STATES OF AMERICA.

A PROCLAMATION.

Whereas it was provided by the Act of Congress, approved May 27, A. D., 1902 (32 Stat., 263), among other things, that on October first, 1903, the unallotted lands in the Uintah Indian Reservation, in the State of Utah, "shall be restored to the public domain: Provided, That persons entering any of said lands under the homestead laws shall pay therefor at the rate of one dollar and twenty-five cents per acre";

And, whereas, the time for the opening of said unallotted lands was extended to October 1, 1904, by the Act of Congress approved March 3, 1903 (32 Stat., 998), and was extended to March 10, 1905, by the Act of Congress approved April 21, 1904 (33 Stat., 207), and was again extended to not later than September 1, 1905, by the Act of Congress, approved March 3, 1905 (33 Stat., 1069), which last named act provided, among other things:

That the said unallotted lands, excepting such tracts as may have been set aside as national forest reserve, and such mineral lands as were disposed of by the Act of Congress of May twenty-seventh, nineteen hundred and two, shall be disposed of under the general provisions of the homestead and townsite laws of the United States, and shall be opened to settlement and entry by proclamation of the President, which proclamation shall prescribe the manner in which these lands may be settled upon, occupied, and entered by persons entitled to make entry thereof; and no person shall be permitted to settle upon, occupy, or enter any of said lands, except as prescribed in said proclamation, until after the expiration of sixty days from the time when the same are thereby opened to settlement and entry: Provided, That the rights of honorably discharged Union soldiers and sailors of the late civil and Spanish war or Philippine insurrection, as defined and described in sections twenty-three hundred and four and twenty-three hundred and five of the Revised Statutes, as amended by the Act of March first, nineteen hundred and one, shall not be abridged.

Now, therefore, I, THEODORE ROOSEVELT, President of the United States of America, by virtue of the power in me vested by said Acts of Congress, do hereby declare and make known that all the unallotted lands in said reservation, excepting such as have at that time been reserved for military, forestry and other purposes, and such mineral lands as may have been disposed of under existing laws, will on and after the 28th day of August, 1905, in the manner hereinafter prescribed, and not otherwise, be opened to entry, settlement and disposition under the general provisions of the homestead and townsite laws of the United States; and it is further directed and prescribed that:

Commencing at 9 o'clock, a. m. Tuesday, August 1, 1905, and ending at 6 o'clock p. m. Saturday, August 12, 1905, a registration will be had at Vernal, Price and Provo, State of Utah, and at Grand Junction, State of Colorado, for the purpose of ascertaining what persons desire to enter, settle upon, and acquire title to any of said lands under the homestead law, and of ascertaining their qualifications so to do. To obtain registration each applicant will be required to show himself duly qualified, by written application to be made only on a blank form provided by the Commissioner of the General Land Office, to make homestead entry of these lands under existing laws, and to give the registering officer such appropriate matters of description and identity as will protect the applicant and the Government against any attempted impersonation. Registration cannot be effected through the use of the mails or the employment of an agent, excepting that honorably discharged soldiers and sailors entitled to the benefits of section 2304 of the Revised Statutes of the United States, as amended by the act of Congress, approved March 1, 1901 (31 Stat., 847), may present their applications for registration and due proofs of their qualifications through an agent of their own selection, having a duly executed power of attorney on a blank form provided by the Commissioner of the General Land Office, but no person will be permitted to act as agent for more than one such soldier or sailor. No person will be permitted to register more than once or in any other than his true name.

Each applicant who shows himself duly qualified will be registered and given a nontransferable certificate to that effect, which will entitle him to go upon and examine the lands to be opened hereunder; but the only purpose for which he can go upon and examine said lands is that of enabling him later on, as herein provided, to understandingly select the lands for which he may make entry. No one will be permitted to make settlement upon any of said lands in advance of the opening herein provided for, and during the first sixty days following said opening no one but registered applicants will be permitted to make homestead settlement upon any of said lands and then only in pursuance of a homestead entry duly allowed by the local land officers, or of a soldier's declaratory statement duly accepted by such officers.

The order in which, during the first sixty days following the opening, the registered applicants will be permitted to make homestead entry of the lands opened hereunder, will be determined by a drawing for the district publicly held at Provo, Utah, commencing at 9 o'clock a. m., Thursday, August 17, 1905, and continuing for such period as may be necessary to complete the same. The drawing will be had under the supervision and immediate observance of a committee of three persons whose integrity is such as to make their control of the drawing a guaranty of its fairness. The members of this committee will be appointed by the Secretary of the Interior, who will prescribe suitable compensation for their services. Preparatory to this drawing the registration officers will, at the time of registering each applicant who shows himself duly qualified, make out a card, which must be signed by the applicant, and giving such a description of the applicant as will enable the local land officers to thereafter identify him. This card will be subsequently sealed in a separate envelope which will bear no other distinguishing label or mark than such as may be necessary to show that it is to go into the drawing. These envelopes will be carefully preserved and remain sealed until opened in the course of the drawing herein provided. When the registration is completed, all of these sealed envelopes will be brought together at the place of drawing and turned over to the committee in charge of the drawing, who, in such manner as in their judgment will be attended with entire fairness and equality of opportunity, shall proceed to draw out and open the separate envelopes and to give to each inclosed card a number in the order in which the envelope containing the same is drawn. The result of the drawing will be certified by the committee to the officers of the district and will determine the order in which the applicants may make homestead entry of said lands and settlement thereon.

Notice of the drawings, stating the name of each applicant and number assigned to him by the drawing, will be posted each day at the place of drawing, and each applicant will be notified of his number, and of the day upon which he must make his entry, by a postal card mailed to him at the address given by him at the time of registration. The result of each day's drawing will also be given to the press to be published as a matter of news. Applications for homestead entry of said lands during the first sixty days following the opening can be made only by registered applicants and in the order established by the drawing.

Commencing on Monday, August 28, 1905, at 9 o'clock a. m., the applications of those drawing numbers 1 to 50, inclusive, must be presented at the land office in the town of Vernal, Utah, in the land district in which said lands are situated, and will be considered in their numerical order during the first day, and the applications of those drawing numbers 51 to 100, inclusive, must be presented and will be considered in their numerical order during the second day, and so on at that rate until all of said lands subject to entry under the homestead law, and desired thereunder, have been entered. If any applicant fails to appear and present his application for entry when the number assigned to him by the drawing is reached, his right to enter will be passed until after the other applications assigned for that day have been disposed of, when he will be given another opportunity to make entry, failing in which he will be deemed to have abandoned his right to make entry under such drawing.

To obtain the allowance of a homestead entry, each applicant must personally present the certificate of registration theretofore issued to him, together with a regular homestead application and the necessary accompanying proofs, together with the regular land office fees, but an honorably discharged soldier or sailor may file his declaratory statement through his agent, who can represent but one soldier or sailor as in the matter of registration.

Persons who make homestead entry for any of these lands will be required to pay therefor at the rate of one dollar and twenty-five cents per acre when they make final proof, but no payment, other than the usual fees and commissions, will be required at the time the entry is made.

Persons who apply to make entry of these lands prior to October 27, 1905, will not be required to file the usual nonmineral affidavit with their applications to enter, but such affidavit must be filed before final proof is accepted under their entries; but all persons who make entry after that date will be required to file that affidavit with their applications to enter.

The production of the certificate of registration will be dispensed with only upon satisfactory proof of its loss or destruction. If at the time of considering his regular application for entry it appear that an applicant is disqualified from making homestead entry of these lands, his application will be rejected, notwithstanding his prior registration. If any applicant shall register more than once hereunder, or in any other than his true name, or shall transfer his registration certificate, he will thereby lose all the benefits of the registration and drawing herein provided for, and will be precluded from entering or settling upon any of said lands during the first sixty days following said opening.

Any person or persons desiring to found, or to suggest establishing, a townsite upon any of the said lands, at any point, may, at any time before the opening herein provided for, file in the land office a written application to that effect, describing by legal subdivisions the lands intended to be affected, and stating fully and under oath the necessity or propriety of founding or establishing a town at that place. The local officers will forthwith transmit said petition to the Commissioner of the General Land Office with their recommendation in the premises. Such Commissioner, if he believes the public interests will be subserved thereby, will, if the Secretary of the Interior approve thereof, issue an order withdrawing the lands described in such petition, or any portion thereof, from homestead entry and settlement and directing that the same be held for the time being for disposal under the townsite laws of the United States in such manner as the Secretary of the Interior may from time to time direct; and, if at any time after such withdrawal has been made it is determined that the lands so withdrawn are not needed for townsite purposes they may be released from such withdrawal and then disposed of under the general provisions of the homestead laws in the manner prescribed herein.

All persons are especially admonished that under the said act of Congress approved March 3, 1905, it is provided that no person shall be permitted to settle upon, occupy, or enter any of said lands except in the manner prescribed in this proclamation until after the expiration of sixty days from the time when the same are opened to settlement and entry. After the expiration of the said period of sixty days, but not before, as hereinbefore prescribed, any of said lands remaining undisposed of may be settled upon, occupied, and entered under the general provisions of the homestead and townsite laws of the United States in like manner as if the manner of effecting such settlement, occupancy, and entry had not been prescribed herein in obedience to law.

The Secretary of the Interior shall prescribe all needful rules and regulations necessary to carry into full effect the opening herein provided for.

In witness whereof, I have hereunto set my hand and caused the seal of the United States to be affixed.

[SEAL.] Done at the City of Washington this 14th day of July, in the year of our Lord 1905, and of the Independence of the United States the one hundred and thirtieth.

THEODORE ROOSEVELT.

By the President:

ALVEY A. ADEE,
Acting Secretary of State.

BY THE PRESIDENT OF THE UNITED STATES OF AMERICA.

A PROCLAMATION.

Whereas, it is provided by section twenty-four of the Act of Congress, approved March third, eighteen hundred and ninety-one, entitled, "An act to repeal timber-culture laws, and for other purposes", "That the President of the United States may, from time to time, set apart and reserve, in any State or Territory having public land bearing forests, in any part of the public lands wholly or in part covered with timber or undergrowth, whether of commercial value or not, as public reservations, and the President shall, by public proclamation, declare the establishment of such reservations and the limits thereof";

And whereas, it is further provided by the Act of Congress, approved June fourth, eighteen hundred and ninety-seven, entitled, "An act making appropriations for sundry civil expenses of the Government for the fiscal year ending June thirtieth, eighteen hundred and ninety-eight, and for other purposes", that "The President is hereby authorized at any time to modify any Executive order that has been or may hereafter be made establishing any forest reserve, and by such modification may reduce the area or change the boundary lines of such reserve, or may vacate altogether any order creating such reserve";

And whereas, the public lands in the Territory of New Mexico, within the limits hereinafter described, are in part covered with timber, and it appears that the public good would be promoted by setting apart and reserving said lands as a public reservation;

Now, therefore, I, THEODORE ROOSEVELT, President of the United States, by virtue of the power in me vested by the aforesaid acts of Congress, do hereby make known and proclaim that the Gila River

Forest Reserve, in the Territory of New Mexico, established by proclamation of March second, eighteen hundred and ninety-nine, is hereby so changed and enlarged as to include all those certain tracts, pieces or parcels of land lying and being situate in the Territory of New Mexico, and within the boundaries particularly described as follows:

Beginning at the north-east corner of Township five (5) South, Range sixteen (16) West, New Mexico Principal Meridian, New Mexico; thence southerly along the range line, allowing for the proper offset on the First (1st) Standard Parallel South, to the north-west corner of Township nine (9) South, Range fifteen (15) West; thence easterly to the north-east corner of said township; thence southerly to the south-east corner of said township; thence easterly to the south-west corner of Section thirty-two (32), Township nine (9) South, Range twelve (12) West; thence northerly to the north-west corner of Section eight (8), said township; thence easterly to the north-east corner of said section; thence northerly to the north-west corner of Section thirty-three (33), Township eight (8) South, Range twelve (12) West; thence easterly to the north-east corner of said section; thence northerly to the north-west corner of Section twenty-two (22), said township; thence easterly to the north-east corner of Section twenty-four (24), said township; thence southerly to the north-west corner of Section thirty (30), Township eight (8) South, Range eleven (11) West; thence easterly to the north-east corner of said section; thence southerly to the south-east corner of Section thirty-one (31), said township; thence easterly to the north-east corner of Section three (3), Township nine (9) South, Range eleven (11) West; thence southerly to the south-east corner of Section fifteen (15), said township; thence westerly to the south-west corner of said section; thence southerly to the north-west corner of Section thirty-four (34), said township; thence easterly to the north-east corner of said section; thence southerly to the south-east corner of said section; thence easterly to the south-west corner of Township nine (9) South, Range ten (10) West; thence northerly to the north-west corner of Section nineteen (19), said township; thence easterly to the south-west corner of Section seventeen (17), said township; thence northerly to the north-west corner of said section; thence easterly to the south-west corner of Section nine (9), said township; thence northerly to the north-west corner of said section; thence easterly to the south-west corner of Section three (3), said township; thence northerly to the north-west corner of said section; thence easterly to the south-west corner of Section thirty-five (35), Township eight (8) South, Range ten (10) West; thence northerly to the north-west corner of said section; thence easterly to the north-east corner of Section thirty-six (36), said township; thence northerly to the north-west corner of Section thirty (30), Township eight (8) South, Range nine (9) West; thence easterly to the north-east corner of Section twenty-six (26), said township; thence southerly to the south-east corner of Section thirty-five (35), Township nine (9) South, Range nine (9) West; thence easterly to the north-east corner of Township ten (10) South, Range nine (9) West; thence southerly to the south-east corner of said township; thence easterly along the Second (2nd) Standard Parallel South to the north-east corner of Section six (6), Township eleven (11) South, Range eight (8) West; thence southerly to the north-west corner of Section twenty (20), Township twelve (12) South, Range eight (8) West; thence easterly to the north-east corner of said section; thence southerly to the south-east corner of Section eight (8), Township thirteen (13) South, Range eight (8) West; thence westerly to the south-west corner of said section; thence southerly to the south-east corner of Section eighteen (18), said township; thence westerly to the south-west corner of said section; thence southerly to the north-west corner of Section thirty-one (31), Township fourteen (14) South, Range eight (8) West; thence easterly to the north-east corner of said section; thence southerly to the south-east corner of Section thirty-one (31), Township fifteen (15) South, Range eight (8) West; thence easterly along the Third (3rd) Standard Parallel South to the north-east corner of Section five (5), Township sixteen (16) South, Range eight (8) West; thence southerly to the south-east corner of Section seventeen (17), said township; thence easterly to the north-east corner of Section twenty-three (23), said township; thence southerly to the south-east corner of Section thirty-five (35), Township seventeen (17) South, Range eight (8) West; thence westerly to the south-west corner of Section thirty-three (33), Township seventeen (17) South, Range nine (9) West; thence northerly to the north-west corner of said section; thence westerly to the south-west corner of Section twenty-nine (29), said township; thence northerly to the south-east corner of Section eighteen (18), said township; thence westerly to the south-west corner of said section; thence northerly to the south-east corner of Section one (1), Township seventeen (17) South, Range ten (10) West; thence westerly to the south-west corner of said section; thence northerly to the north-west corner of said section; thence westerly to the south-west corner of Section thirty-five (35), Township sixteen (16) South, Range ten (10) West; thence northerly to the south-east corner of Section twenty-two (22), said township; thence westerly to the south-west corner of said section; thence northerly to the north-west corner of said section; thence westerly to the south-west corner of Section sixteen (16), said township; thence northerly to the north-west corner of said section; thence westerly to the south-west corner of Section twelve (12), Township sixteen (16) South, Range eleven (11) West; thence northerly to the north-west corner of said section; thence westerly to the south-west corner of Section four (4), said township; thence northerly to the north-west corner of said section; thence westerly along the Third (3rd) Standard Parallel South to the north-west corner of said township; thence southerly to the north-west corner of Section eighteen (18), said township; thence easterly to the north-east corner of said section; thence southerly to the south-east corner of Section eighteen (18), Township seventeen (17) South, Range eleven (11) West; thence westerly to the south-west corner of Section fourteen (14), Township seventeen (17) South, Range twelve (12) West; thence northerly to the south-east corner of Section three (3), said township; thence westerly to the south-west corner of said section; thence southerly to the south-east corner of Section sixteen (16), said township; thence westerly to the north-east corner of Section nineteen (19), said township; thence southerly to the south-east corner of said section; thence westerly to the eastern boundary of the Fort Bayard Military Reservation; thence northerly, westerly and southerly along the boundary of said Military Reservation to the south-east corner of Lot four (4), Section twenty-two (22), Township seventeen (17) South, Range thirteen (13) West; thence westerly to the south-west corner of Section twenty-one (21), said township; thence northerly to the south-east corner of Section eight (8), said township; thence westerly to the south-west corner of Section twelve (12), Township seventeen (17) South, Range fourteen (14) West; thence northerly to the north-west corner of said section; thence westerly to the south-west corner of Section six (6), Township seventeen (17) South, Range fifteen (15) West; thence northerly to the south-east corner of Section twenty-five (25), Township sixteen (16) South, Range sixteen (16) West; thence westerly to the south-west corner of Section twenty-eight (28), said township; thence northerly to the south-east corner of Section eight (8), said township; thence westerly to the south-west corner of said section; thence northerly to the north-west corner of said section; thence westerly to the south-west corner of Section six (6), said township; thence northerly, allowing for the proper offset on the Third (3rd) Standard Parallel South, to the north-west corner of Township fifteen (15) South, Range sixteen (16) West; thence westerly to the north-east corner of Township fifteen (15) South, Range nineteen (19) West; thence southerly to the south-east corner of said township; thence westerly to the boundary line between New Mexico and Arizona; thence northerly along said boundary line to the north-west corner of Township five (5) South, Range twenty-one (21) West; thence easterly to the north-east corner of Township five (5) South, Range sixteen (16) West, the place of beginning; such of the above-named corners as have not been established by the official surveys being intended to be located at the points where such corners would fall in projecting the surveys in the directions indicated without allowing for any irregularities which may occur in actually extending the surveys;

Excepting from the force and effect of this proclamation all lands which may have been, prior to the date hereof, embraced in any legal entry or covered by any lawful filing duly of record in the proper United States Land Office, or upon which any valid settlement has been made pursuant to law, and the statutory period within which to make entry or filing of record has not expired: *Provided,* that this exception shall not continue to apply to any particular tract of land unless the entryman, settler or claimant continues to comply with the law under which the entry, filing or settlement was made.

Warning is hereby expressly given to all persons not to make settlement upon the lands reserved by this proclamation.

This reservation shall be known hereafter as the Gila Forest Reserve.

In witness whereof, I have hereunto set my hand and caused the seal of the United States to be affixed.

[SEAL.] DONE at the City of Washington this 21st day of July in the year of our Lord one thousand nine hundred and five, and of the Independence of the United States the one hundred and thirtieth.

THEODORE ROOSEVELT.

By the President:
ALVEY A. ADEE,
Acting Secretary of State.

BY THE PRESIDENT OF THE UNITED STATES OF AMERICA.

A PROCLAMATION.

Whereas, the Payson Forest Reserve, in the State of Utah, was established by proclamation dated August third, nineteen hundred and one, under and by virtue of section twenty-four of the Act of Congress, approved March third, eighteen hundred and ninety-one, entitled, "An act to repeal timber-culture laws, and for other purposes", which provides, "That the President of the United States may, from time to time, set apart and reserve, in any State or Territory having public land bearing forests, in any part of the public lands wholly or in part covered with timber or undergrowth, whether of commercial value or not, as public reservations, and the President shall, by public proclamation, declare the establishment of such reservations and the limits thereof";

And whereas, it is further provided by the Act of Congress, approved June fourth, eighteen hundred and ninety-seven, entitled, "An act making appropriations for sundry civil expenses of the Government for the fiscal year ending June thirtieth, eighteen hundred and ninety-eight, and for other purposes", that "the President is hereby authorized at any time to modify any Executive order that has been or may hereafter be made establishing any forest reserve, and by such modification may reduce the area or change the boundary lines of such reserve, or may vacate altogether any order creating such reserve", under which provision the boundary lines of the said forest reserve were changed and the area thereof enlarged by proclamation dated November fifth, nineteen hundred and three;

And whereas, it appears that the public good would be promoted by further adding to the said forest reserve certain lands lying and being situate in the State of Utah, which are in part covered with timber;

Now, therefore, I, THEODORE ROOSEVELT, President of the United States, by virtue of the power in me vested by the aforesaid Act of Congress, approved June fourth, eighteen hundred and ninety-seven, do hereby make known and proclaim that the aforesaid Payson Forest Reserve is hereby further enlarged to include the said additional lands, and that the boundaries of the reserve are, accordingly, changed to read as follows:

Beginning at the north-west corner of Section five (5), Township ten (10) South, Range two (2) East; thence easterly to the north-east corner of Section four (4), Township ten (10) South, Range three (3) East; thence southerly, allowing for the proper offset on the Second (2nd) Standard Parallel South, to the south-east corner of Section nine (9), Township twelve (12) South, Range three (3) East; thence westerly to the south-west corner of said section; thence southerly to the south-east corner of Section seventeen (17), said township; thence westerly to the south-west corner of Section eighteen (18), said township; thence southerly to the north-east corner of Township thirteen (13) South, Range two (2) East; thence westerly to the north-west corner of said township; thence northerly to the south-east corner of Section twenty-four (24), Township twelve (12) South, Range one (1) East; thence westerly to the south-east corner of the south-west quarter of Section twenty-one (21), said township; thence northerly to the north-east corner of the south-east quarter of the north-west quarter of said section; thence westerly to the north-west corner of the south-east quarter of the north-west quarter of said section; thence northerly to the south-west corner of the north-east quarter of the south-west quarter of Section sixteen

(16), said township; thence easterly to the south-east corner of the north-east quarter of the south-west quarter of said section; thence northerly to the north-east corner of the south-west quarter of Section nine (9), said township; thence easterly to the north-east corner of the south-east quarter of said section; thence northerly to the north-west corner of Section three (3), said township; thence easterly to the north-east corner of said section; thence northerly to the north-west corner of Section two (2), Township eleven (11) South, Range one (1) East; thence easterly to the south-west corner of Township ten (10) South, Range two (2) East; thence northerly to the north-west corner of Section nineteen (19), said township; thence easterly to the north-east corner of said section; thence northerly to the north-west corner of Section five (5), said township, the place of beginning;

And further beginning at the north-east corner of Section eight (8), Township thirteen (13) South, Range two (2) East, Salt Lake Meridian, Utah; thence southerly to the south-west corner of Section sixteen (16), said township; thence easterly to the north-east corner of the north-west quarter of Section twenty-one (21), said township; thence southerly to the south-west corner of the south-east quarter of said section; thence easterly to the north-east corner of Section twenty-eight (28), said township; thence southerly to the south-west corner of the north-west quarter of Section twenty-seven (27), said township; thence easterly to the north-east corner of the south-west quarter of said section; thence southerly to the south-west corner of the south-east quarter of said section; thence easterly to the north-east corner of Section thirty-four (34), said township; thence southerly to the south-east corner of Section thirty-four (34), Township fourteen (14) South, Range two (2) East; thence westerly to the north-west corner of the north-east quarter of Section three (3), Township fifteen (15) South, Range two (2) East; thence southerly to the south-east corner of the south-west quarter of Section thirty-four (34), said township; thence westerly to the south-west corner of Section thirty-five (35), Township fifteen (15) South, Range one (1) East; thence northerly to the north-east corner of Section twenty-seven (27), said township; thence westerly to the south-west corner of Section twenty (20), said township; thence northerly to the north-west corner of Section eight (8), said township; thence easterly to the south-east corner of the south-west quarter of Section five (5), said township; thence northerly to the north-west corner of the north-east quarter of said section; thence easterly to the south-east corner of the south-west quarter of the south-east quarter of Section thirty-six (36), Township fourteen (14) South, Range one (1) East; thence northerly to the north-east corner of the north-west quarter of the north-east quarter of Section thirty-six (36), Township thirteen (13) South, Range one (1) East; thence westerly to the north-west corner of said section; thence northerly to the north-west corner of Section twelve (12), said township; thence easterly to the north-east corner of Section eight (8), Township thirteen (13) South, Range two (2) East, the place of beginning;

Such of the above-named corners as have not been established by the official surveys being intended to be located at the points where such corners would fall in projecting the surveys in the directions indicated without allowing for any irregularities which may occur in actually extending the surveys;

Excepting from the force and effect of this proclamation all lands which may have been, prior to the date hereof, embraced in any legal entry or covered by any lawful filing duly of record in the proper United States Land Office, or upon which any valid settlement has been made pursuant to law, and the statutory period within which to make entry or filing of record has not expired: *Provided,* that this exception shall not continue to apply to any particular tract of land unless the entryman, settler or claimant continues to comply with the law under which the entry, filing or settlement was made.

Warning is hereby expressly given to all persons not to make settlement upon the lands reserved by this proclamation.

In witness whereof, I have hereunto set my hand and caused the seal of the United States to be affixed.

[SEAL.] DONE at the City of Washington this 21st day of July in the year of our Lord one thousand nine hundred and five, and of the Independence of the United States the one hundred and thirtieth.

THEODORE ROOSEVELT.

By the President:

ALVEY A. ADEE,

Acting Secretary of State.

BY THE PRESIDENT OF THE UNITED STATES OF AMERICA.

A PROCLAMATION.

Whereas, it is provided by section twenty-four of the Act of Congress, approved March third, eighteen hundred and ninety-one, entitled, "An act to repeal timber-culture laws, and for other purposes", "That the President of the United States may, from time to time, set apart and reserve, in any State or Territory having public land bearing forests, in any part of the public lands wholly or in part covered with timber or undergrowth, whether of commercial value or not, as public reservations, and the President shall, by public proclamation, declare the establishment of such reservations and the limits thereof";

And whereas, the public lands in the State of South Dakota, within the limits hereinafter described, are in part covered with timber, and it appears that the public good would be promoted by setting apart and reserving said lands as a public reservation;

Now, therefore, I, THEODORE ROOSEVELT, President of the United States, by virtue of the power in me vested by section twenty-four of the aforesaid Act of Congress, do hereby make known and proclaim that there are hereby reserved from entry or settlement and set apart as a Public Reservation all those certain tracts, pieces or parcels of land lying and being situate in the State of South Dakota and particularly described as follows:

In Township sixteen (16) North, Range two (2) East, the south-west quarter of the south-west quarter of Section two (2), the south half of the south-east quarter and the west half of Section three (3), Sections four (4) and five (5), the east half of the north-west quarter, the east half of the south-west quarter, and the east half of Section six (6), the east half of the north-east quarter of Section seven (7), the north half of Section eight (8), Sections nine (9) and ten (10), the west half of the north-west quarter and the west half of the south-west quarter of Section eleven (11), the west half of the north-east quarter, the west half of the south-east quarter and the west half of Section fourteen (14), Section fifteen (15), the north half of the north-west quarter and the east half of Section sixteen (16), the north half of Section twenty-two (22) and the north-west quarter of Section twenty-three (23); in Township seventeen (17) North, Range two (2) East, Sections eighteen (18) and nineteen (19), the south-west quarter of the south-east quarter, the west half of the north-west quarter, the south-east quarter of the south-west quarter and the west half of the south-west quarter of Section twenty-seven (27), Section twenty-eight (28), the south half of Section twenty-nine (29), Sections thirty (30), thirty-one (31), thirty-two (32) and thirty-three (33), and the north-east quarter and the west half of Section thirty-four (34);

Also; in Township sixteen (16) North, Range three (3) East, Sections one (1), two (2) and three (3), the east half of the north-west quarter, the east half of the south-west quarter and the east half of Section ten (10), Sections eleven (11), twelve (12), thirteen (13) and fourteen (14), the east half of the north-west quarter and the north-east quarter of Section fifteen (15), the north half of Section twenty-three (23) and the north-west quarter of Section twenty-four (24); in Township seventeen (17) North, Range three (3) East, the west half of the south-east quarter and the south-west quarter of Section twenty-five (25) and the west half of the north-east quarter, the west half of the south-east quarter and the west half of Section thirty-six (36); in Township sixteen (16) North, Range four (4) East, the west half of Sections six (6) seven (7) and eighteen (18); all of the Black Hills Meridian, South Dakota;

Excepting from the force and effect of this proclamation all lands which may have been, prior to the date hereof, embraced in any legal entry or covered by any lawful filing duly of record in the proper United States Land Office, or upon which any valid settlement has been made pursuant to law, and the statutory period within which to make entry or filing of record has not expired: *Provided*, that this exception shall not continue to apply to any particular tract of land unless the entryman, settler or claimant continues to comply with the law under which the entry, filing or settlement was made.

Warning is hereby expressly given to all persons not to make settlement upon the lands reserved by this proclamation.

The reservation hereby established shall be known as the Short Pine Forest Reserve.

In witness whereof, I have hereunto set my hand and caused the seal of the United States to be affixed.

[SEAL.] Done at the City of Washington this 22d day of July, in the year of our Lord one thousand nine hundred and five and of the Independence of the United States the one hundred and thirtieth.

THEODORE ROOSEVELT.

By the President:

ALVEY A. ADEE,
Acting Secretary of State.

BY THE PRESIDENT OF THE UNITED STATES OF AMERICA.

A PROCLAMATION.

Whereas, The Sierra Forest Reserve, in the State of California, was established by proclamation dated February fourteenth, eighteen hundred and ninety-three, under and by virtue of section twenty-four of the Act of Congress, approved March third, eighteen hundred and ninety-one, entitled, "An act to repeal timber-culture laws, and for other purposes", which provides, "That the President of the United States may, from time to time, set apart and reserve, in any State or Territory having public land bearing forests, in any part of the public lands wholly or in part covered with timber or undergrowth, whether of commercial value or not, as public reservations, and the President shall, by public proclamation, declare the establishment of such reservations and the limits thereof";

And whereas, the boundary lines of the said forest reserve were changed and enlarged by the Act of Congress, approved February seventh, nineteen hundred and five, entitled, "An Act to exclude from the Yosemite National Park, California, certain lands therein described, and to attach and include the said lands in the Sierra Forest Reserve";

And whereas, it is further provided by the Act of Congress, approved June fourth, eighteen hundred and ninety-seven, entitled, "An act making appropriations for sundry civil expenses of the Government for the fiscal year ending June thirtieth, eighteen hundred and ninety-eight, and for other purposes", that "The President is hereby authorized at any time to modify any Executive order that has been or may hereafter be made establishing any forest reserve, and by such modification may reduce the area or change the boundary lines of such reserve, or may vacate altogether any order creating such reserve"; which authority to change the boundary lines of forest reserves by Executive proclamation was extended, by the aforesaid act of Congress, approved February seventh, nineteen hundred and five, to the lands thereby included in and made a part of the Sierra Forest Reserve;

And whereas, it appears that the public good would be promoted by including within the said forest reserve certain additional lands in the State of California which are in part covered with timber;

Now, therefore, I, THEODORE ROOSEVELT, President of the United States, by virtue of the power in me vested by the aforesaid acts of Congress, do hereby make known and proclaim that the boundary lines of the said Sierra Forest Reserve are hereby further changed so as to read as follows:

Beginning at the north-west corner of Township two (2) North, Range nineteen (19) East, Mount Diablo Base and Meridian, California; thence southerly to the south-east corner of Section thirteen (13), Township one (1) North, Range eighteen (18) East; thence westerly to the south-west corner of said section; thence northerly to the north-west corner of said section; thence westerly to the north-east corner of Section sixteen (16), said township; thence southerly to the south-east corner of said section; thence westerly to the south-west corner of said section; thence northerly to the south-east corner of Section five (5), said township; thence westerly to the south-west corner of said section; thence northerly to the north-west corner of said section; thence westerly to the north-west corner of Section two (2), Township one (1) North, Range seventeen (17) East; thence southerly to the south-west corner of Section eleven (11), said township; thence easterly to the south-east corner of said section;

thence southerly to the south-east corner of Section twenty-three (23), said township; thence westerly to the north-west corner of Section twenty-seven (27), said township; thence southerly to the south-west corner of said section; thence westerly to the north-west corner of Section thirty-one (31), said township; thence southerly, allowing for the proper offset on the Base Line, to the south-west corner of the north-west quarter of Section seven (7), Township one (1) South, Range seventeen (17) East; thence easterly to the north-east corner of the south-east quarter of said section; thence southerly to the south-west corner of Section twenty (20), said township; thence easterly to the south-east corner of said section; thence southerly to the south-west corner of Section twenty-eight (28), said township; thence easterly to the south-east corner of said section; thence southerly, allowing for the proper offset on the township line, to the south-west corner of Section ten (10), Township two (2) South, Range seventeen (17) East; thence easterly to the north-east corner of Section thirteen (13), said township; thence southerly to the north-west corner of Section thirty-one (31), Township three (3) South, Range eighteen (18) East; thence easterly to the north-east corner of said section; thence southerly to the south-east corner of said section; thence easterly to the south-west corner of Section thirty-five (35), said township; thence northerly to the north-west corner of the south-west quarter of said section; thence easterly to the south-east corner of the north-west quarter of said section; thence northerly to the north-west corner of the north-east quarter of said section; thence easterly to the north-east corner of said section; thence northerly to the north-west corner of the south-west quarter of Section twenty-five (25), said township; thence easterly to the south-east corner of the north-west quarter of said section; thence northerly to the north-west corner of the north-east quarter of said section; thence easterly to the north-east corner of said section; thence southerly to the south-west corner of Township four (4) South, Range nineteen (19) East; thence easterly to the north-east corner of Township five (5) South, Range twenty (20) East; thence southerly to the south-west corner of Township six (6) South, Range twenty-one (21) East; thence easterly to the north-east corner of Section six (6), Township seven (7) South, Range twenty-one (21) East; thence southerly to the south-east corner of said section; thence easterly to the north-east corner of Section eleven (11), said township; thence southerly to the south-west corner of Section twenty-five (25), said township; thence easterly to the south-east corner of said section; thence southerly to the south-west corner of Section six (6), Township eight (8) South, Range twenty-two (22) East; thence easterly to the north-east corner of Section twelve (12), said township; thence southerly to the south-east corner of said township; thence westerly to the north-west corner of Township nine (9) South, Range twenty-three (23) East; thence southerly to the south-west corner of Section eighteen (18), said township; thence easterly to the south-east corner of said section; thence southerly to the south-west corner of Section twenty-nine (29), said township; thence easterly to the north-east corner of Section thirty-six (36), said township; thence southerly to the south-east corner of said township; thence easterly to the north-east corner of Township ten (10) South, Range twenty-four (24) East; thence southerly to the south-east corner of said township; thence easterly to the north-west corner of Section four (4), Township eleven (11) South, Range twenty-five (25) East; thence southerly to the south-west corner of said section; thence easterly to the south-east corner of said section; thence southerly to the south-west corner of Section twenty-two (22), Township twelve (12) South, Range twenty-five (25) East; thence easterly to the north-east corner of Section twenty-five (25), said township; thence southerly to the south-west corner of Township twelve (12) South, Range twenty-six (26) East; thence easterly to the north-east corner of Section five (5), Township thirteen (13) South, Range twenty-six (26) East; thence southerly to the north-west corner of Section sixteen (16), said Township; thence easterly to the north-east corner of said section; thence southerly to the south-east corner of said section; thence westerly to the south-west corner of said section; thence southerly to the south-west corner of Section twenty-one (21), said township; thence easterly to the north-east corner of Section twenty-five (25), said township; thence southerly to the south-east corner of said township; thence easterly along the township line to its intersection with the western boundary of the General Grant National Park; thence in a northerly, easterly, southerly and westerly direction along the boundary of said park to its intersection with the range line between Ranges twenty-seven (27) and twenty-eight (28) East; thence southerly to the south-west corner of Township fourteen (14) South, Range twenty-eight (28) East; thence easterly to the north-east corner of Section three (3), Township fifteen (15) South, Range twenty-eight (28) East; thence southerly to the south-east corner of said section; thence westerly to the south-west corner of said section; thence southerly to the north-west corner of Section fifteen (15), Township sixteen (16) South, Range twenty-eight (28) East; thence easterly to the north-east corner of said section; thence southerly to the south-east corner of said section; thence easterly along the section lines to the point of intersection with the western boundary of the Sequoia National Park; thence, in a northerly, easterly, southerly, easterly, southerly and westerly direction along the boundary of said park to the north-west corner of Township nineteen (19) South, Range thirty (30) East; thence southerly to the south-east corner of Township twenty (20) South, Range twenty-nine (29) East; thence westerly to the north-west corner of Township twenty-one (21) South, Range thirty (30) East; thence southerly along the range line to its intersection with the northern boundary of the Tule River Indian Reservation; thence, in a general north-easterly, southerly and westerly direction along the boundary of said reservation to its intersection with the range line between Ranges twenty-nine (29) and thirty (30) East; thence southerly to the north-west corner of Township twenty-four (24) South, Range thirty (30) East; thence easterly to the north-east corner of said township; thence southerly to the south-east corner of said township; thence westerly to the north-west corner of Township twenty-five (25) South, Range thirty-one (31) East; thence southerly to the south-east corner of Township twenty-six (26) South, Range thirty (30) East; thence westerly to the south-west corner of said township; thence southerly to the south-west corner of Township twenty-eight (28) South, Range thirty (30) East; thence easterly to the north-west corner of Township twenty-nine (29) South, Range thirty-one (31) East; thence southerly to the south-west corner of said township; thence easterly to the south-west corner of Section thirty-six (36), said township; thence northerly to the north-west corner of said section; thence easterly to the north-east corner of said section; thence southerly to the south-west corner of Township twenty-nine (29) South, Range thirty-two (32) East; thence easterly to the south-west corner of Section thirty-six (36), said township; thence northerly to the north-west corner of said section; thence easterly to the north-east corner of said section; thence southerly to the south-west corner of Township twenty-nine (29) South, Range thirty-three (33) East; thence easterly to the south-east corner of Section thirty-four (34), said township; thence northerly to the north-west corner of Section twenty-six (26), said township; thence easterly to the south-east corner of Section twenty-four (24), Township twenty-nine (29) South, Range thirty-three and one-half (33½) East; thence northerly to the north-west corner of Section nineteen (19), Township twenty-nine (29) South, Range thirty-four (34) East; thence easterly to the south-east corner of Section seventeen (17), said township; thence northerly to the north-east corner of said section; thence easterly to the south-east corner of Section nine (9), said township; thence northerly to the north-east corner of said section; thence easterly to the south-east corner of Section three (3), said township; thence northerly to the north-east corner of said section; thence easterly to the south-east corner of Township twenty-eight (28) South, Range thirty-seven (37) East; thence northerly to the north-east corner of Township twenty-five (25) South, Range thirty-seven (37) East; thence easterly to the south-east corner of Township twenty-four (24) South, Range thirty-seven (37) East; thence northerly to the north-east corner of said township; thence easterly to the south-east corner of Township twenty-three (23) South, Range thirty-seven (37) East; thence northerly to the north-east corner of Township twenty-one (21) South, Range thirty-seven (37) East; thence westerly to the south-west corner of Section thirty-two (32), Township twenty (20) South, Range thirty-seven (37) East; thence northerly to the north-east corner of Section six (6), said township; thence westerly to the north-west corner of said township; thence northerly to the north-east corner of the south-east quarter of Section thirty-six (36), Township nineteen (19) South, Range thirty-six (36) East; thence westerly to the south-west corner of the north-east quarter of Section thirty-five (35), said township; thence northerly to the north-west corner of the south-east quarter of Section fourteen (14), said township; thence easterly to the south-east corner of the north-east quarter of said section; thence northerly to the north-west corner of Section twenty-five (25), Township eighteen (18) South, Range thirty-six (36) East; thence easterly to the north-east corner of the north-west quarter of said section; thence northerly to the south-east corner of the south-west quarter of Section twelve (12), said township; thence westerly to the south-west corner of said section; thence northerly to the north-east corner of Section thirty-five (35), Township seventeen (17) South, Range thirty-six (36) East; thence westerly to the north-west corner of the north-east quarter of said section; thence northerly to the north-east corner of the north-west quarter of Section two (2), said township; thence westerly to the south-west corner of Section thirty-six (36), Township sixteen (16) South, Range thirty-five (35) East; thence northerly to the north-west corner of said section; thence easterly to the north-east corner of said section; thence northerly to the north-east corner of said township; thence westerly to the south-west corner of Section thirty-six (36), Township fifteen (15) South, Range thirty-five (35) East; thence northerly to the north-west corner of said section; thence easterly to the north-east corner of said section; thence northerly to the north-east corner of Section twenty-four (24), said township; thence westerly to the south-west corner of Section eighteen (18), said township; thence northerly to the north-east corner of Township fourteen (14) South, Range thirty-four (34) East; thence westerly to the south-west corner of Section thirty-five (35), Township thirteen (13) South, Range thirty-four (34) East; thence northerly to the north-east corner of the south-east quarter of Section thirty-four (34), said township; thence westerly to the south-west corner of the north-east quarter of said section; thence northerly to the north-west corner of the south-east quarter of Section twenty-seven (27), said township; thence easterly to the south-east corner of the north-east quarter of said section; thence northerly to the north-west corner of west lot one (1) in Section two (2), said township; thence easterly to the north-east corner of said lot; thence northerly to the north-west corner of the west half of east lot six (6) in said section; thence westerly to the south-west corner of Section thirty-four (34), Township twelve (12) South, Range thirty-four (34) East; thence northerly to the north-east corner of the south-east quarter of Section thirty-three (33), said township; thence westerly to the south-west corner of the north-east quarter of said section; thence northerly to the north-east corner of the north-west quarter of said section; thence westerly to the south-west corner of Section twenty-eight (28), said township; thence northerly to the north-east corner of Section five (5), Township eleven (11) South, Range thirty-four (34) East; thence westerly to the south-west corner of Section thirty-six (36), Township ten (10) South, Range thirty-three (33) East; thence northerly to the north-west corner of said section; thence easterly to the north-east corner of said section; thence northerly to the north-east corner of said township; thence westerly to the south-west corner of Section thirty-five (35), Township nine (9) South, Range thirty-three (33) East; thence northerly to the north-west corner of Section two (2), said township; thence westerly to the south-west corner of Section thirty-three (33), Township eight (8) South, Range thirty-three (33) East; thence northerly to the north-east corner of Section twenty (20), said township; thence westerly to the south-west corner of Section seventeen (17), said township; thence northerly to the north-east corner of Section seven (7), said township; thence westerly to the south-west corner of Section six (6), said township; thence northerly to the north-east corner of Township eight (8) South, Range thirty-two (32) East; thence westerly to the south-west corner of Section thirty-six (36), Township seven (7) South, Range thirty-two (32) East; thence northerly to the north-east corner of Section twenty-six (26), said township; thence westerly to the south-east corner of Section nineteen (19), said township; thence northerly to the north-east corner of said section; thence westerly to the north-west corner of said section; thence northerly to the north-east corner of Section thirteen (13), Township seven (7) South, Range thirty-one (31) East; thence westerly to the south-west corner of Section eleven (11), said township; thence northerly to the north-east corner of Section three (3), said township; thence westerly to the south-west corner of Section thirty-two (32), Township six (6) South, Range thirty-one (31)

East; thence northerly to the north-east corner of Section eighteen (18), said township; thence westerly to the north-west corner of said section; thence northerly to the north-west corner of Section nineteen (19), Township five (5) South, Range thirty-one (31) East; thence easterly to the south-east corner of Section seventeen (17), said township; thence northerly to the north-east corner of said section; thence easterly to the south-east corner of Section ten (10), said township; thence northerly to the north-east corner of Section three (3), said township; thence westerly to the south-west corner of Section thirty-four (34), Township four (4) South, Range thirty-one (31) East; thence northerly to the north-east corner of Section twenty-one (21), said township; thence westerly to the north-west corner of said section; thence northerly to the north-east corner of Section five (5), said township; thence westerly to the north-west corner of Section five (5), Township four (4) South, Range thirty (30) East; thence southerly to the south-east corner of Section thirty-one (31), said township; thence westerly to the south-west corner of Section thirty-six (36), Township four (4) South, Range twenty-nine (29) East; thence northerly to the north-west corner of said section; thence westerly to the south-west corner of Section twenty-seven (27), said township; thence northerly to the north-west corner of said section; thence westerly to the south-west corner of Section twenty-one (21), said township; thence northerly to the north-west corner of said section; thence westerly to the south-west corner of Section seventeen (17), said township; thence northerly to the south-east corner of Section seven (7), said township; thence westerly to the south-west corner of said section; thence northerly to the north-west corner of said township; thence westerly to the south-west corner of Section thirty-six (36), Township three (3) South, Range twenty-eight (28) East; thence northerly to the north-west corner of said section; thence easterly to the north-east corner of said section; thence northerly to the north-east corner of said township; thence westerly to the south-west corner of Section thirty-six (36), Township two (2) South, Range twenty-eight (28) East; thence northerly to the north-west corner of said section; thence westerly to the south-west corner of Section thirty (30), said township; thence northerly to the north-west corner of Section eighteen (18), said township; thence easterly to the south-east corner of Section nine (9), said township; thence northerly to the north-east corner of Section four (4), said township; thence westerly to the south-west corner of Section thirty-three (33), Township one (1) South, Range twenty-six (26) East; thence northerly, allowing for the proper offset on the Base Line, to the north-east corner of Section seventeen (17), Township one (1) North, Range twenty-six (26) East; thence westerly to the north-west corner of said section;

thence northerly to the north-east corner of Section six (6), said township; thence westerly to the south-west corner of Township two (2) North, Range twenty-five (25) East; thence northerly to the north-east corner of Township two (2) North, Range twenty-four (24) East; thence westerly along the township line to its intersection with the eastern boundary of the Yosemite National Park; thence in a general southeasterly, southwesterly, westerly and northwesterly direction along the boundary of said park to its intersection with the township line between Townships two (2) and three (3) North; thence westerly to the north-west corner of Township two (2) North, Range nineteen (19) East, the place of beginning; such of the above-named corners as have not been established by the official surveys being intended to be located at the points where such corners would fall in projecting the surveys in the directions indicated without allowing for any irregularities which may occur in actually extending the surveys;

Excepting from the force and effect of this proclamation all lands which may have been, prior to the date hereof, embraced in any legal entry or covered by any lawful filing duly of record in the proper United States Land Office, or upon which any valid settlement has been made pursuant to law, and the statutory period within which to make entry or filing of record has not expired: *Provided,* that this exception shall not continue to apply to any particular tract of land unless the entryman, settler or claimant continues to comply with the law under which the entry, filing or settlement was made.

Warning is hereby expressly given to all persons not to make settlement upon the lands reserved by this proclamation.

In witness whereof, I have hereunto set my hand and caused the seal of the United States to be affixed.

[SEAL.] DONE at the City of Washington this 25th day of July, in the year of our Lord one thousand nine hundred and five, and of the Independence of the United States the one hundred and thirtieth.

THEODORE ROOSEVELT.

By the President:

ALVEY A. ADEE,
Acting Secretary of State.

BY THE PRESIDENT OF THE UNITED STATES OF AMERICA.

A PROCLAMATION.

Whereas, it is provided by section twenty-four of the Act of Congress, approved March third, eighteen hundred and ninety-one, entitled, "An act to repeal timber-culture laws, and for other purposes," "That the President of the United States may, from time to time, set apart and reserve, in any State or Territory having public land bearing forests, in any part of the public lands wholly or in part covered with timber or undergrowth, whether of commercial value or not, as public reservations, and the President shall, by public proclamation, declare the establishment of such reservations and the limits thereof";

And whereas, the public lands in the State of Kansas, within the limits hereinafter described, are in part covered with timber, and it appears that the public good would be promoted by setting apart and reserving said lands as a public reservation;

Now, therefore, I, THEODORE ROOSEVELT, President of the United States, by virtue of the power in me vested by section twenty-four of the aforesaid Act of Congress, do hereby make known and proclaim that there are hereby reserved from entry or settlement and set apart as a Public Reservation all those certain tracts, pieces or parcels of land lying and being situate in the State of Kansas, and within the boundaries particularly described as follows:

Beginning at the north-east corner of Section twenty-six (26), Township twenty-four (24) South, Range thirty-three (33) West, Sixth (6th) Principal Meridian, Kansas; thence southerly to the north-west corner of Section twelve (12), Township twenty-five (25) South, Range thirty-three (33) West; thence easterly to the north-east corner of said section; thence southerly to the south-east corner of said section; thence westerly to the south-west corner of said section; thence southerly to the south-east corner of Section fourteen (14), said township; thence westerly to the south-west corner of said section; thence southerly to the south-east corner of Section twenty-two (22), said township; thence westerly to the south-west corner of said section; thence southerly to the south-east corner of Section thirty-three (33), said township; thence westerly to the north-west corner of Section five (5), Township twenty-six (26) South, Range thirty-three (33) West; thence southerly to the south-east corner of Section seven (7), said township; thence westerly to the south-west corner of said section; thence southerly to the north-east corner of Section thirty-six (36), Township twenty-six (26) South, Range thirty-four (34) West; thence westerly to the north-west corner of said section; thence southerly to the south-west corner of said section; thence easterly to the north-east corner of Section four (4), Township twenty-seven (27) South, Range thirty-three (33) West; thence southerly to the south-east corner of Section nine (9), said township; thence westerly to the south-west corner of Section eight (8), Township twenty-seven (27) South, Range thirty-four (34) West; thence northerly to the north-west corner of said section; thence westerly to the south-west corner of Section four (4), Township twenty-seven (27) South, Range thirty-six (36) West; thence northerly to the north-west corner of said section; thence westerly to the south-west corner of Section thirty-two (32), Township twenty-six (26) South, Range thirty-six (36) West; thence northerly to the north-west corner of said section; thence easterly to the south-east corner of Section twenty-seven (27), said township; thence northerly to the north-east corner of said section; thence westerly to the north-west corner of said section; thence northerly to the north-west corner of Section twenty-two (22), said township; thence easterly to the south-west corner of Section eighteen (18), Township twenty-six (26) South, Range thirty-five (35) West; thence northerly to the north-west corner of said section; thence easterly to the north-east corner of said section; thence northerly to the south-west corner of Section five (5), said township; thence easterly to the south-east corner of said section; thence northerly to the north-east corner of said section; thence easterly to the north-west corner of Section three (3), said township; thence southerly to the south-west corner of said section; thence easterly to the south-east corner of Section one (1), said township; thence northerly to the north-east corner of said township; thence easterly to the south-west corner of Section thirty-two (32), Township twenty-five (25) South, Range thirty-four (34) West; thence northerly to the north-west corner of said section thence easterly to the north-east corner of said section; thence northerly to the south-west corner of Section twenty-one (21), said township; thence easterly to the south-east corner of said section; thence northerly to the north-east corner of said section; thence easterly to the south-west corner of Section fourteen (14), said township; thence northerly to the north-west corner of said section; thence easterly to the north-east corner of said section; thence northerly to the north-west corner of Section twelve (12), said township; thence easterly to the north-east corner of said section; thence northerly to the north-east corner of said township; thence easterly to the south-west corner of Section thirty-two (32), Township twenty-four (24) South, Range thirty-three (33) West; thence northerly to the north-west corner of said section; thence easterly to the north-east corner of said section; thence northerly to the north-west corner of Section twenty-eight (28), said township, thence easterly to the north-east corner of Section twenty-six (26), said township, the place of beginning;

Excepting from the force and effect of this proclamation all lands which may have been, prior to the date hereof, embraced in any legal entry or covered by any lawful filing duly of record in the proper United States Land Office, or upon which any valid settlement has been made pursuant to law, and the statutory period within which to make entry or filing of record has not expired: *Provided,* that this exception shall not continue to apply to any particular tract of land unless the entryman, settler or claimant continues to comply with the law under which the entry, filing or settlement was made.

Warning is hereby expressly given to all persons not to make settlement upon the lands reserved by this proclamation.

The reservation hereby established shall be known as the Garden City Forest Reserve.

In witness whereof, I have hereunto set my hand and caused the seal of the United States to be affixed.

[SEAL.] DONE at the City of Washington this 25th day of July, in the year of our Lord one thousand nine hundred and five, and of the Independence of the United States the one hundred and thirtieth.

THEODORE ROOSEVELT.

By the President:

ALVEY A. ADEE,
Acting Secretary of State.

BY THE PRESIDENT OF THE UNITED STATES OF AMERICA.

A PROCLAMATION.

Whereas, on June 7, 1905, the Secretary of the Interior directed the Commissioner of Indian Affairs to cause to be selected, by the Uintah Allotment Commission, one or more tracts of land, suitable for townsite purposes, in the Uintah Indian Reservation Lands, State of Utah, to the end that the same might be reserved under the provisions of section 2380 of the Revised Statutes of the United States;

And whereas, on July 6, 1905, the Acting Commissioner of Indian Affairs reported that said commission had selected, as suitable for townsite purposes and as natural and prospective centers of population, certain described lands which he recommended be reserved under the provisions of said section 2380;

And whereas, on July 7 and 27, 1905, the Department of the Interior approved said selection and recommendation so far as it related to the following described lands in the Uintah land district, Utah, and has requested that they be reserved for townsites to be created under existing statute, to-wit:

Lots four, six and seven, the south-west quarter of the north-east quarter, the south half of the north-west quarter, the south-west quarter, and the west half of the south-east quarter of section twenty-five, lot two, the south-east quarter of the north-east quarter, and the east half of the south-east quarter of section twenty-six, in township three south of range two west of the Uintah special meridian;

Also the south-west quarter of the south-east quarter of section thirty-six, in township three south of range five west, the north half, and the north half of the south half of section one, the east half of the north-east quarter, and the north-east quarter of the south-east quarter of section two, in township four south of range five west of the Uintah special meridian.

And also the south half of the north-east quarter, the south-east quarter, and the south-east quarter of the south-west quarter of section seven, and the north-east quarter of the north-west quarter of section eighteen, in township three south of range two east of the Uintah special meridian;

Now, therefore, I, THEODORE ROOSEVELT, President of the United States, by virtue of the power in me vested by section 2380 and 2381 of the Revised Statutes of the United States, do hereby declare and make known that said lands are hereby reserved as townsites, to be disposed of by the United States under the terms of the statutes applicable thereto.

In witness whereof, I have hereunto set my hand and caused the seal of the United States to be affixed.

[SEAL.] DONE at the City of Washington this 31st day of July in the year of our Lord one thousand nine hundred and five, and of the Independence of the United States the one hundred and thirtieth.

THEODORE ROOSEVELT.

By the President:

ALVEY A. ADEE,

Acting Secretary of State.

BY THE PRESIDENT OF THE UNITED STATES OF AMERICA.

A PROCLAMATION.

Whereas, it was declared in my proclamation of July 14, in the year of our Lord 1905, prescribed the manner in which certain lands within the Uintah Indian Reservation should be opened to settlement and entry under the homestead and townsite laws of the United States, among other things as follows:

Commencing on Monday, August 28, 1905, at 9 o'clock a. m., the applications of those drawing numbers 1 to 50, inclusive, must be presented at the land office in the town of Vernal, Utah, in the land district in which said lands are situated, and will be considered in their numerical order during the first day, and the applications of those drawing numbers 51 to 100, inclusive, must be presented and will be considered in their numerical order during the second day, and so on at that rate until all of said lands subject to entry under the homestead law, and desired thereunder, have been ordered. If any applicant fails to appear and present his application for entry when the number assigned to him by the drawing is reached, his right to enter will be passed until after the other applications assigned for that day have been disposed of, when he will be given another opportunity to make entry, failing in which he will be deemed to have abandoned his right to make entry under such drawing.

And, whereas, there now appear to be ample reasons for a modification of said provision;

Now, therefore, I, THEODORE ROOSEVELT, President of the United States of America, by virtue of the power in me vested by said act of Congress, and for the purpose of modifying the provision of said proclamation above quoted, do hereby declare and direct that said provision be modified to read as follows:

Commencing on Monday, August 28, 1905, at 9 o'clock a. m., the applications of those drawing numbers 1 to 111, inclusive, must be presented at the land office in the town of Vernal, Utah, in the land district in which said lands are situated, and will be considered in their numerical order during the first day, and the applications of those drawing numbers 112 to 222, inclusive, must be presented and will be considered in their numerical order during the second day, and so on at that rate until all of said lands subject to entry under the homestead law, and desired thereunder, have been entered. If any applicant fails to appear and present his application for entry when the number assigned to him by the drawing is reached, his right to enter will be passed until after the other applications assigned for that day have been disposed of, when he will be given another opportunity to make entry, failing in which he will be deemed to have abandoned his right to make entry under such drawing.

In witness whereof, I have hereunto set my hand and caused the seal of the United States to be affixed.

DONE at the City of Washington this 2d day of August, in the year of our Lord one thousand nine hundred and five, and of the Independence of the United States the one hundred and thirtieth.

[SEAL.]

THEODORE ROOSEVELT.

By the President:

ALVEY A. ADEE,

Acting Secretary of State.

BY THE PRESIDENT OF THE UNITED STATES OF AMERICA.

A PROCLAMATION.

Whereas, it is provided by the act of Congress approved March 3, 1905, entitled, "An act making appropriations for the current and contingent expenses of the Indian Department and for fulfilling treaty stipulations with various Indian tribes for the fiscal year ending June thirtieth, nineteen hundred and six, and for other purposes," that "Before the opening of the Uintah Indian Reservation, the President is hereby authorized to set apart and reserve any reservoir site or other lands necessary to conserve the water supply for the Indians or for general agricultural development, and may confirm such rights and water thereon as have already accrued";

And whereas, it is considered necessary to serve the purposes of the act referred to that certain lands in the Uintah Indian Reservation be withdrawn for the purposes indicated;

Now, therefore, I, THEODORE ROOSEVELT, President of the United States, by virtue of the power in me vested by the aforesaid act of Congress, approved March third, nineteen hundred and five, do hereby make known and proclaim that certain lands in the Uintah Indian Reservation are hereby withdrawn from disposal, for reservoir site necessary to conserve the water supply for the Indians, or for general agricultural development, the following described lands:

AGRICULTURAL:

All Sections thirty-two (32), thirty-three (33) and thirty-four (34), Township one (1) South, Range five (5) West; all Sections two (2), three (3), four (4), ten (10), eleven (11), twelve (12), thirteen (13), fourteen (14), fifteen (15), south half of Section sixteen (16), south-west quarter of Section seventeen (17), and all Sections eighteen (18) to thirty-six (36), inclusive, Township two (2) South, Range one (1) West; south half of north-east quarter, south half of north-west quarter, south-west quarter and south-east quarter of Section twenty-five (25), south half of north-east quarter, south half of north-west quarter, south-west quarter and south-east quarter of Section twenty-six (26), north-east quarter, north-west quarter, north half of south-west quarter and north half of south-east quarter of Section thirty-five (35), and all of Section thirty-six (36), Township two (2) South, Range three (3) West; all Sections three (3) to eleven (11), inclusive, all Sections fourteen (14) to thirty-two (32), inclusive, and west half of Section thirty-three (33), Township two (2) South, Range four (4) West; all Sections one (1), two (2), three (3), four (4), nine (9), ten (10), eleven (11), and north half of Section sixteen (16), Township two (2) South, Range five (5) West; south half of north-east quarter, north-west quarter, south-east quarter, south-west quarter of Section three (3), all Sections four (4), five (5), six (6), seven (7), eight (8), and west half of Section nine (9), Township three (3) South, Range one (1) West; all Sections one (1), two (2), three (3), four (4), and five (5), east half of north-east quarter, south half of south-east quarter, and south-west quarter of Section six (6), north half of Section seven (7), north half of Section eight (8), all Sections nine (9), ten (10), eleven (11), and twelve (12), Township three (3) South, Range two (2) West; south half of Section one (1) and all Section eighteen (18), Township three (3) South, Range three (3) West; all Sections three (3), four (4), five (5), six (6), seven (7), eight (8), nine (9), ten (10), Sections thirteen (13) to twenty-three (23), inclusive, Township three (3) South, Range four (4) West; west half of north-east quarter, north-west quarter, west half of south-east quarter, south-west quarter of Section seventeen (17), and all Sections eighteen (18) and nineteen (19), Township two (2) South, Range one (1) East; south-east quarter, south half of south-west quarter of Section twenty-three (23), south-east quarter and south half of south-west quarter of Section twenty-four (24), and all Sections twenty-five (25), twenty-six (26) and thirty-six (36), Township three (3) South, Range one (1) East; all Sections twenty-nine (29), thirty-one (31) and thirty-two (32), south half of Section thirty (30) and west half of Section thirty-three (33), Township three (3) South, Range two (2) East; all Sections four (4), five (5) and nine (9), west half of Section ten (10), all Section fifteen (15), east half of Section sixteen (16), north half of Section twenty-two (22), north-west quarter, south-west quarter and south-east quarter of Section twenty-three (23), north-west quarter of Section twenty-five (25) and north-east quarter of Section twenty-six (26), Township four (4) South, Range two (2) east; all Sections twenty-five (25), twenty-six (26), twenty-seven (27), twenty-eight (28), South half of Section twenty-nine (29), south half of Section thirty (30), and all Sections thirty-one (31) to thirty-six (36), inclusive, Township two (2) South Range two (2) West; all Uintah Special Meridian.

RESERVOIR:

All Section eighteen (18), Township two (2) North, Range five (5) West; west half of north-west quarter, and north-west quarter of south-west quarter of Section six (6), east half of Section twelve (12), north-east quarter of Section thirteen (13), Township two (2) North, Range six (6) West; east half of Section one (1), Township two (2) North, Range seven (7) West; south-west quarter of Section thirty-one (31), Township three (3) North, Range six (6) West; all of Township two

(2) South, Range eleven (11) West; all of Township three (3) South, Range eleven (11) West; all of Township four (4) South, Range eleven (11) West; all of township two (2) South, Range twelve (12) West; all of Township three (3) South, Range twelve (12) West; all of Township four (4) South, Range twelve (12) West; north-east quarter, east half of north-west quarter, east half of south-west quarter, north half of south-east quarter and south-east quarter of south-east quarter of Section twenty-one (21), Lots three (3) and four (4), Section twenty-two (22), Lots one (1) and two (2) of Section twenty-seven (27), east half of north-east quarter, south-west quarter of north-east quarter, and east half of north-west quarter of Section twenty-eight (28), Township two (2) South, Range one (1) East; all Uintah Special Meridian.

Warning is expressly given to all persons not to make settlement upon the lands reserved by this Proclamation.

In witness whereof, I have hereunto set my hand and caused the seal of the United States to be affixed.

[SEAL.] DONE at the City of Washington this 3d day of August, in the year of our Lord one thousand nine hundred and five, and of the Independence of the United States the one hundred and thirtieth.

THEODORE ROOSEVELT.

By the President:

ALVEY A. ADEE,

Acting Secretary of State.

BY THE PRESIDENT OF THE UNITED STATES OF AMERICA.

A PROCLAMATION.

Whereas, it has been determined that only that portion of the lands reserved by my proclamation of August 3, 1905, hereinafter described, situated in the Uintah Indian Reservation, in the State of Utah, is required for reservoir sites and to conserve and protect the water supply, for the purposes specified in the act of Congress approved March 3, 1905 (33 Stat., 1070), to-wit:

All of sections eighteen (18), nineteen (19), twenty-nine (29), thirty (30), thirty-one (31), and thirty-two (32), in Township two (2) South, Range eleven (11) West; all of Township three (3) South, Range eleven (11) West; all of sections one (1), to and including section twenty-four (24), and all of sections twenty-six, to and including section thirty-two (32) in Township four (4) South, Range eleven (11) West; all of sections one (1), two (2), three (3), ten (10), eleven (11), twelve (12), thirteen (13), fourteen (14), fifteen (15), twenty-two (22), twenty-three (23), twenty-four (24), twenty-five (25), twenty-six (26), twenty-seven (27), thirty-four (34), thirty-five (35), and thirty-six (36), in Township two (2) South, Range twelve (12) West; and all of sections one (1), two (2), and twelve (12), in Township three (3) South, Range twelve (12) West; all in Uintah Special Meridian.

Now, therefore, I, THEODORE ROOSEVELT, President of the United States of America, by virtue of the power in me vested by said act, do hereby make known and proclaim that all lands embraced in my said proclamation of August 3, 1905, saving and excepting those hereinbefore described, are hereby excluded and withdrawn from the effects of said proclamation and are hereby restored to the status they occupied prior to their reservation for said purposes.

In witness whereof, I have hereunto set my hand and caused the seal of the United States to be affixed.

DONE at the City of Washington this fourteenth day of [SEAL.] August, in the year of our Lord one thousand nine hundred and five, and of the Independence of the United States the one hundred and thirtieth.

THEODORE ROOSEVELT.

By the President:

ALVEY A. ADEE,

Acting Secretary of State.

BY THE PRESIDENT OF THE UNITED STATES OF AMERICA.

A PROCLAMATION.

Whereas, it is believed that the following described lands, to-wit:

Lots three, five, and eight, of section twenty-five, and lot one of section twenty-six, in township three south, of range two west of the Uintah special meridian; and also the southwest quarter of southwest quarter of section nineteen, the northwest quarter of section twenty-nine, and the north half of section thirty, in township three south, of range one west of the Uintah special meridian, in the State of Utah, situate adjacent to other lands in said reservation which were reserved by my proclamation of July 31, in the year of our Lord 1905, are natural and prospective centers of population:

Now, therefore, I, THEODORE ROOSEVELT, President of the United States of America, by virtue of the power in me vested by the act of Congress, entitled "An act making appropriations for the current and contingent expenses of the Indian Department and for fulfilling the treaty stipulations with various Indian tribes for the fiscal year ending June thirty, nineteen hundred and six, and for other purposes," approved March 3, 1905, and by sections 2380 and 2381 of the Revised Statutes of the United States, do hereby declare and make known that the lands above described are hereby reserved as townsites, to be disposed of by the United States under the terms of the Statutes applicable thereto, in connection with other lands reserved for that purpose by my said proclamation of July 31, 1905.

In witness whereof, I have hereunto set my hand and caused the seal of the United States to be affixed.

[SEAL.] DONE at the City of Washington, this fourteenth day of August, in the year of our Lord one thousand nine hundred and five, and of the Independence of the United States the one hundred and thirtieth.

THEODORE ROOSEVELT.

By the President:

ALVEY A. ADEE,

Acting Secretary of State.

BY THE PRESIDENT OF THE UNITED STATES OF AMERICA.

A PROCLAMATION.

Whereas, it is provided by section twenty-four of the Act of Congress, approved March third, eighteen hundred and ninety-one, entitled, "An act to repeal timber-culture laws, and for other purposes," "That the President of the United States may, from time to time, set apart and reserve, in any State or Territory having public land bearing forests, in any part of the public lands wholly or in part covered with timber or undergrowth, whether of commercial value or not, as public reservations, and the President shall, by public proclamation, declare the establishment of such reservations and the limits thereof";

And whereas, the public lands in the State of Colorado, within the limits hereinafter described, are in part covered with timber, and it appears that the public good would be promoted by setting apart and reserving said lands as a public reservation,

Now, therefore, I, THEODORE ROOSEVELT, President of the United States, by virtue of the power in me vested by section twenty-four of the aforesaid Act of Congress, do hereby make known and proclaim that there are hereby reserved from entry or settlement and set apart as a Public Reservation all those certain tracts, pieces or parcels of land lying and being situate in the State of Colorado, and within the boundaries particularly described as follows:

Beginning at the north-west corner of Section seventeen (17), Township two (2) South, Range eighty-two (82) West, Sixth (6th) Principal Meridian, Colorado; thence easterly to the south-west corner of

Section ten (10), Township two (2) South, Range eighty-one (81) West; thence northerly to the north-west corner of Section three (3), said township; thence easterly to the north-west corner of Section two (2), said township; thence southerly to the south-west corner of Section thirty-five (35), said township; thence easterly to the south-east corner of said township; thence southerly to the south-west corner of Township three (3) South, Range eighty (80) West; thence easterly to the south-east corner of said township; thence southerly to the south-west corner of Township five (5) South, Range seventy-nine (79) West; thence easterly along the First (1st) Correction Line South to the north-west corner of Township six (6) South, Range seventy-nine (79) West; thence southerly to the north-east corner of Township eight (8) South, Range eighty (80) West; thence westerly to the north-west corner of Township eight (8) South, Range eighty-one (81) West; thence southerly to the north-east corner of Township ten (10) South; Range eighty-two (82) West; thence westerly to the north-west corner of said township; thence southerly, allowing for the proper offset on the Second (2nd) Correction Line South, to the north-east corner of Township twelve (12) South, Range eighty-three (83) West; thence westerly along the township line to the north-west corner of Township twelve (12) South, Range eighty-eight (88) West; thence northerly, allowing for the proper offset on the Second (2nd) Correction Line South, to the north-east corner of Township nine (9) South, Range eighty-nine (89) West; thence easterly to the north-east corner of Section two (2), Township nine (9) South, Range eighty-seven (87) West; thence southerly to the south-east corner of Section twenty-six (26), said township; thence easterly to the north-east corner of Section thirty-three (33), Township nine (9) South, Range eighty-six (86) West; thence southerly to the south-east corner of Section four (4), Township ten (10) South, Range eighty-six (86) West; thence easterly to the north-east corner of Section ten (10), Township ten (10) South, Range eighty-five (85) West; thence southerly to the south-east corner of Section fifteen (15), said township; thence easterly to the north-east corner of Section twenty (20) Township ten (10) South, Range eighty-four (84) West; thence northerly to the north-west corner of Section four (4), said township; thence westerly to the south-west corner of Section thirty-six (36), Township nine (9) South, Range eighty-five (85) West; thence northerly to the south-east corner of Section eleven (11), said township; thence westerly to the south-west corner of said section; thence northerly to the north-west corner of Section two (2), said township; thence westerly to the south-east corner of Section eight (8) South, Range eighty-six (86) West; thence northerly to the south-east corner of Section twenty-four (24), said township; thence westerly to the south-west corner of

Section Twenty-three (23), said township; thence northerly to the north-west corner of Section two (2), said township; thence westerly to the south-west corner of Section thirty-six (36), Township seven (7) South, Range eighty-seven (87) West; thence northerly to the north-west corner of Section one (1), said township; thence easterly to the north-east corner of said township; thence northerly to the north-west corner of Township six (6) South, Range eighty-six (86) West; thence easterly along the First (1st) Correction Line South to the south-west corner of Section thirty-three (33), Township five (5) South, Range eighty-three (83) West; thence northerly to the north-west corner of Section twenty-one (21), said township; thence easterly to the north-east corner of Section twenty-one (21), Township five (5) South, Range eighty-one (81) West; thence southerly to the south-east corner of Section thirty-three (33), said township; thence easterly to the south-west corner of Section thirty-six, said township; thence northerly to the north-west corner of Section thirteen (13), said township; thence easterly to the north-east corner of said section; thence northerly to the south-east corner of Section one (1), said township; thence westerly to the south-west corner of Section six (6), said township; thence northerly to the south-east corner of Section twenty-five (25), Township four (4) South, Range eighty-two (82) West; thence westerly to the south-west corner of Section twenty-seven (27), said township; thence northerly to the north-west corner of said section; thence westerly to the south-west corner of Section nineteen (19), said township; thence northerly to the north-west corner of Section nineteen (19), Township three (3) South, Range eighty-two (82) West; thence easterly to the south-west corner of Section fifteen (15), said township; thence northerly to the north-west corner of Section three (3), said township; thence westerly to the south-west corner of Section thirty-two (32), Township two (2) South, Range eighty-two (82) West; thence northerly to the north-west corner of Section seventeen (17), said township, the place of beginning;

Also, all Township three (3) South, Range eighty-four (84) West;

Such of the above-named corners as have not been established by the official surveys being intended to be located at the points where such corners would fall in projecting the surveys in the directions indicated without allowing for any irregularities which may occur in actually extending the surveys;

Excepting from the force and effect of this proclamation all lands which may have been, prior to the date hereof, embraced in any legal entry or covered by any lawful filing duly of record in the proper United States Land Office, or upon which any valid settlement has been made pursuant to law, and the statutory period within which to make entry or filing of record has not expired: *Provided*, that this exception shall not continue to apply to any particular tract of land unless the entryman, settler or claimant continues to comply with the law under which the entry, filing or settlement was made.

Warning is hereby expressly given to all persons not to make settlement upon the lands reserved by this proclamation.

The reservation hereby established shall be known as the Holy Cross Forest Reserve.

In witness whereof, I have hereunto set my hand and caused the seal of the United States to be affixed.

[SEAL.] DONE at the City of Washington this 25th day of August, in the year of our Lord one thousand nine hundred and five, and of the Independence of the United States the one hundred and thirtieth.

THEODORE ROOSEVELT.

By the President:

FRANCIS B. LOOMIS,

Acting Secretary of State.

BY THE PRESIDENT OF THE UNITED STATES OF AMERICA.

A PROCLAMATION.

Whereas, it is provided by section twenty-four of the Act of Congress, approved March third, eighteen hundred and ninety-one, entitled, "An act to repeal timber-culture laws, and for other purposes," "That the President of the United States may, from time to time, set apart and reserve, in any State or Territory having public land bearing forests, in any part of the public lands wholly or in part covered with timber or undergrowth, whether of commercial value or not, as public reservations, and the President shall, by public proclamation, declare the establishment of such reservations and the limits thereof";

And whereas, the public lands in the State of Utah, within the limits hereinafter described, are in part covered with timber, and it appears that the public good would be promoted by setting apart and reserving said lands as a public reservation;

Now, therefore, I, THEODORE ROOSEVELT, President of the United States, by virtue of the power in me vested by section twenty-four of the aforesaid Act of Congress, do hereby make known and proclaim that there are hereby reserved from entry or settlement and set apart as a Public Reservation all those certain tracts, pieces or parcels of land lying and being situate in the State of Utah, and within the boundaries particularly described as follows:

Beginning at the north-east corner of Section seventeen (17), Township thirty-eight (38) South, Range thirteen (13) West, Salt Lake

Meridian, Utah; thence southerly to the south-east corner of Section thirty-two (32), said township; thence easterly to the north-east corner of Township thirty-nine (39) South, Range thirteen (13) West; thence southerly to the south-east corner of said township; thence westerly to the north-east corner of Section four (4), Township forty (40) South, Range thirteen (13) West; thence southerly to the south-east corner of Section nine (9), said township; thence westerly to the south-west corner of Section seven (7), said township; thence southerly to the south-east corner of Township forty (40) South, Range fourteen (14) West; thence westerly along the Eighth (8th) Standard Parallel South, allowing for the proper offset, to the south-west corner of Township forty (40) South, Range sixteen (16) West; thence northerly to the north-west corner of said township; thence westerly to the boundary line between the States of Nevada and Utah; thence northerly along said state boundary line to the township line between Townships thirty-six (36) and thirty-seven (37) South; thence easterly to the north-east corner of Township thirty-seven (37) South, Range nineteen (19) West; thence southerly to the north-west corner of Section nineteen (19), Township thirty-seven (37) South, Range eighteen (18) West; thence easterly to the north-east corner of Section twenty-four (24), Township thirty-seven (37) South, Range sixteen (16) West; thence southerly to the south-west corner of Township thirty-seven (37) South, Range fifteen (15) West; thence easterly to the north-east corner of Township thirty-eight (38) South, Range fourteen (14) West; thence southerly to the north-west corner of Section eighteen (18), Township thirty-eight (38) South, Range thirteen (13) West; thence easterly to the north-east corner of Section seventeen (17), said township, the place of beginning; such of the above-named corners as have not been established by the official surveys being intended to be located at the points where such corners would fall in projecting the surveys in the directions indicated without allowing for any irregularities which may occur in actually extending the surveys;

Excepting from the force and effect of this proclamation all lands which may have been, prior to the date hereof, embraced in any legal entry or covered by any lawful filing duly of record in the proper United States Land Office, or upon which any valid settlement has been made pursuant to law, and the statutory period within which to make entry or filing of record has not expired: *Provided,* that this exception shall not continue to apply to any particular tract of land unless the entryman, settler or claimant continues to comply with the law under which the entry, filing or settlement was made.

Warning is hereby expressly given to all persons not to make settlement upon the lands reserved in this proclamation.

The reservation hereby established shall be known as the Dixie Forest Reserve.

In witness whereof, I have hereunto set my hand and caused the seal of the United States to be affixed.

[SEAL.] DONE at the City of Washington this 25th day of September, in the year of our Lord one thousand nine hundred and five, and of the Independence of the United States the one hundred and thirtieth.

THEODORE ROOSEVELT.

By the President:

FRANCIS B. LOOMIS,
Acting Secretary of State.

BY THE PRESIDENT OF THE UNITED STATES OF AMERICA.

A PROCLAMATION.

Whereas, it is provided by section twenty-four of the Act of Congress, approved March third, eighteen hundred and ninety-one, entitled, "An act to repeal timber-culture laws, and for other purposes", "That the President of the United States may, from time to time, set apart and reserve, in any State or Territory having public land bearing forests, in any part of the public lands wholly or in part covered with timber or undergrowth, whether of commercial value or not, as public reservations, and the President shall, by public proclamation, declare the establishment of such reservations and the limits thereof";

And whereas, the public lands in the Territory of New Mexico, within the limits hereinafter described are in part covered with timber, and it appears that the public good would be promoted by setting apart and reserving said lands as a public reservation;

Now, therefore, I, THEODORE ROOSEVELT, President of the United States, by virtue of the power in me vested by section twenty-four of the aforesaid Act of Congress, do hereby make known and proclaim that there are hereby reserved from entry or settlement and set apart as a Public Reservation all those certain tracts, pieces or parcels of land lying and being situate in the Territory of New Mexico, and within the boundaries particularly described as follows:

Beginning at the north-west corner of Section four (4), Township two (2) North, Range thirty-two (32) East, New Mexico Principal Meridian, New Mexico; thence easterly to the north-west corner of Section one (1), said township; thence southerly to the south-west corner of said section; thence easterly to the south-east corner of said section; thence southerly to the south-west corner of Section seven (7), Township two (2) North, Range thirty-three (33) East; thence easterly to the north-east corner of Section seventeen (17), said township; thence southerly to the south-east corner of said section; thence easterly to the north-east corner of Section twenty-two (22), said township; thence southerly to the south-west corner of Section two (2), Township one (1) North, Range thirty-three (33) East; thence easterly to the north-east corner of Section twelve (12), said township; thence southerly to the south-east corner of said section; thence easterly to the north-east corner of Section seventeen (17), Township one (1) North, Range thirty-five (35) East; thence southerly to the south-east corner of said section; thence easterly to the north-east corner of Section nineteen (19), Township one (1) North, Range thirty-six (36) East; thence southerly to the south-east corner of said section; thence easterly to the north-east corner of Section twenty-eight (28), said township; thence southerly to the south-east corner of said section; thence easterly along the section lines to the boundary line between the Territory of New Mexico and the State of Texas, as it now exists or may hereafter be established; thence southerly along said boundary line to the section line between Sections ten (10) and fifteen (15), Township two (2) South, Range thirty-seven (37) East, New Mexico Principal Meridian, New Mexico, or extension thereof; thence westerly to the south-east corner of Section eight (8), Township two (2) South, Range thirty-six (36) East; thence northerly to the north-east corner of said section; thence westerly to the north-west corner of said section; thence northerly to the north-east corner of Section six (6), said township; thence westerly to the north-west corner of said township; thence northerly to the north-east corner of Section twenty-five (25), Township one (1) South, Range thirty-five (35) East; thence westerly to the south-east corner of Section twenty-one (21), said township; thence northerly to the north-east corner of said section; thence westerly to the south-west corner of Section eighteen (18), said township; thence northerly to the north-west corner of said section; thence westerly to the south-west corner of Section nine (9), Township one (1) South, Range thirty-four (34) East; thence northerly to the north-west corner of said section; thence westerly to the south-west corner of Section three (3), Township one (1) South, Range thirty-three (33) East; thence northerly to the north-west corner of said section; thence westerly to the south-east corner of Township one (1) North, Range thirty-two (32) East; thence northerly to the north-east corner of Section thirty-six (36), said township; thence westerly to the north-west corner of said section; thence northerly to the north-east corner of Section twenty-three (23), said township; thence westerly to the south-west corner of Section fifteen (15), said township; thence northerly to the north-east corner of Section nine (9), said township;

thence westerly to the south-west corner of Section six (6), said township; thence northerly to the north-west corner of said township; thence westerly to the south-west corner of Section thirty-five (35), Township two (2) North, Range thirty-one (31) East; thence northerly to the north-west corner of Section fourteen (14), said township; thence easterly to the south-east corner of Section twelve (12), said township; thence northerly to the north-east corner of said section; thence easterly to the south-west corner of Section four (4), Township two (2) North, Range thirty-two (32) East; thence northerly to the north-west corner of said section, the place of beginning;

Excepting from the force and effect of this proclamation all lands which may have been, prior to the date hereof, embraced in any legal entry or covered by any lawful filing duly of record in the proper United States Land Office, or upon which any valid settlement has been made pursuant to law, and the statutory period within which to make entry or filing of record has not expired: *Provided,* that this exception shall not continue to apply to any particular tract of land unless the entryman, settler or claimant continues to comply with the law under which the entry, filing or settlement was made.

Warning is hereby expressly given to all persons not to make settlement upon the lands reserved by this proclamation.

The reservation hereby established shall be known as the Portales Forest Reserve.

In witness whereof, I have hereunto set my hand and caused the seal of the United States to be affixed.

[SEAL.] DONE at the City of Washington this 3d day of October, in the year of our Lord one thousand nine hundred and five, and of the Independence of the United States the one hundred and thirtieth.

THEODORE ROOSEVELT.

By the President:
ELIHU ROOT,
Secretary of State.

BY THE PRESIDENT OF THE UNITED STATES OF AMERICA.

A PROCLAMATION.

Whereas, the Little Belt Mountains Forest Reserve, in the State of Montana, was established by proclamation dated August sixteenth, nineteen hundred and two, under and by virtue of section twenty-four of the Act of Congress, approved March third, eighteen hundred and ninety-one, entitled, "An act to repeal timber-culture laws, and for other purposes", which provides, "That the President of the United

States may, from time to time, set apart and reserve, in any State or Territory having public land bearing forests, in any part of the public lands wholly or in part covered with timber or undergrowth, whether of commercial value or not, as public reservations, and the President shall, by public proclamation, declare the establishment of such reservations and the limits thereof";

And whereas, it is further provided by the Act of Congress, approved June fourth, eighteen hundred and ninety-seven, entitled, "An act making appropriations for sundry civil expenses of the Government for the fiscal year ending June thirtieth, eighteen hundred and ninety-eight, and for other purposes", that "the President is hereby authorized at any time to modify any Executive order that has been or may hereafter be made establishing any forest reserve, and by such modification may reduce the area or change the boundary lines of such reserve, or may vacate altogether any order creating such reserve";

And whereas, it appears that the public good would be promoted by adding to the said forest reserve certain lands, within the State of Montana, which are in part covered with timber;

Now, therefore, I, THEODORE ROOSEVELT, President of the United States, by virtue of the power in me vested by the aforesaid act of Congress, approved June fourth, eighteen hundred and ninety-seven, do hereby make known and proclaim that the aforesaid Little Belt Mountains Forest Reserve is hereby enlarged to include the said additional lands, and that the boundaries of the reserve are, accordingly, changed to read as follows:

Beginning at the north-east corner of Township fifteen (15) North, Range ten (10) East, Principal Meridian, Montana; thence southerly to the south-west corner of Township fifteen (15) North, Range eleven (11) East; thence easterly to the north-east corner of Section four (4), Township fourteen (14) North, Range eleven (11) East; thence southerly to the south-west corner of Section thirty-four (34), said township; thence easterly to the north-east corner of Township thirteen (13) North, Range eleven (11) East; thence southerly, allowing for the offset on the Third (3rd) Standard Parallel North, to the south-west corner of Township twelve (12) North, Range twelve (12) East; thence easterly to the north-east corner of Township eleven (11) North, Range thirteen (13) East; thence southerly to the south-east corner of Township ten (10) North, Range thirteen (13) East; thence westerly to the south-west corner of Township ten (10) North, Range ten (10) East; thence northerly to the north-east corner of Township ten (10) North, Range nine (9) East; thence westerly to the south-west corner of Section thirty-four (34), Township eleven (11) North, Range nine (9) East; thence northerly to the north-east corner of Section four (4), said township; thence westerly to the south-west corner of Township twelve (12) North, Range nine (9) East; thence northerly to the north-east corner of Township twelve (12) North, Range eight (8) East; thence westerly to the south-west corner of Section thirty-four (34), Township thirteen (13) North, Range eight (8) East; thence northerly to the north-east corner of Section twenty-one (21), said township; thence westerly to the south-west corner of Section eighteen (18), said township; thence northerly to the north-west corner of Township fifteen (15) North, Range eight (8) East; thence easterly to the north-east corner of Township fifteen (15) North, Range ten (10) East, the place of beginning;

And further beginning at the south-west corner of Section six (6), Township seven (7) North, Range eight (8) East, Principal Meridian, Montana; thence northerly to the north-east corner of Section thirty-six (36), Township eight (8) North, Range seven (7) East; thence westerly to the south-west corner of Section twenty-five (25), said township; thence northerly to the north-east corner of Section twenty-six (26), said township; thence westerly to the south-west corner of Section twenty-three (23), said township; thence northerly, allowing for the offset on the Second (2nd) Standard Parallel North, to the north-west corner of Section twenty-six (26), Township nine (9) North, Range seven (7) East; thence easterly to the south-east corner of Section twenty-three (23), said township; thence northerly to the north-west corner of Section twenty-four (24), said township; thence easterly to the south-east corner of Section thirteen (13), said township; thence northerly to the north-west corner of Section seven (7), Township nine (9) North, Range eight (8) East; thence easterly to the north-east corner of Section eight (8), said township; thence southerly to the south-west corner of Section nine (9), said township; thence easterly to the south-east corner of Section twelve (12), said township; thence northerly to the north-west corner of Township nine (9) North, Range nine (9) East; thence easterly to the north-east corner of Section four (4), said township; thence southerly to the south-west corner of Section three (3), said township; thence easterly to the north-east corner of Section ten (10), said township; thence southerly to the south-west corner of Section fourteen (14), said township; thence easterly to the south-east corner of Section thirteen (13), said township; thence northerly to the north-west corner of Section eighteen (18), Township nine (9) North, Range ten (10) East; thence easterly to the north-east corner of Section seventeen (17), said township; thence southerly to the south-west corner of Section sixteen (16), said township; thence easterly to the north-east corner of Section twenty-two (22), said township; thence southerly to the south-west corner of Section thirty-five (35), said township; thence easterly to the north-east corner of Section two (2), Township eight (8) North, Range ten (10) East; thence southerly to the south-east corner of Section eleven (11), said township; thence westerly to the south-west corner of Section ten (10), said township; thence northerly of the north-east corner of Section nine (9), said township; thence westerly to the south-west corner of Section four (4), said township; thence northerly to the north-east corner of Section five (5), said township; thence westerly to the north-west corner of Section three (3), Township eight (8) North, Range nine (9) East; thence southerly to the south-east corner of Section nine (9), said township; thence westerly to the north-west corner of Section eighteen (18), said township; thence southerly to the south-east corner of Section thirteen (13), Township eight (8) North, Range eight (8) East; thence westerly to the north-west corner of Section twenty-four (24), said township; thence southerly to the north-east corner of Section thirty-five (35), said township; thence westerly to the north-west corner of said section; thence southerly to the south-west corner of said section; thence westerly to the north-west corner of Section three (3), Township seven (7) North, Range eight (8) East; thence southerly to the south-west corner of said section; thence westerly to the south-west corner of Section six (6), said township, the place of beginning;

Such of the above-named corners as have not been established by the official surveys being intended to be located at the points where such corners would fall in projecting the surveys in the directions indicated without allowing for any irregularities which may occur in actually extending the surveys;

Excepting from the force and effect of this proclamation all lands which may have been, prior to the date hereof, embraced in any legal entry or covered by any lawful filing duly of record in the proper United States Land Office, or upon which any valid settlement has been made pursuant to law, and the statutory period within which to make entry or filing of record has not expired: *Provided*, that this exception shall not continue to apply to any particular tract of land unless the entryman, settler or claimant continues to comply with the law under which the entry, filing or settlement was made.

Warning is hereby expressly given to all persons not to make settlement upon the lands reserved by this proclamation.

This reservation shall be known hereafter as the Little Belt Forest Reserve.

In witness whereof, I have hereunto set my hand and caused the seal of the United States to be affixed.

DONE at the City of Washington this 3d day of October, [SEAL.] in the year of our Lord one thousand nine hundred and five, and of the Independence of the United States the one hundred and thirtieth.

THEODORE ROOSEVELT.

By the President:
ELIHU ROOT,
Secretary of State.

BY THE PRESIDENT OF THE UNITED STATES OF AMERICA.

A PROCLAMATION.

Whereas, the Lake Tahoe Forest Reserve, in the State of California, was established by proclamation dated April thirteenth, eighteen hundred and ninety-nine, under and by virtue of section twenty-four of the Act of Congress, approved March third, eighteen hundred and ninety-one, entitled, "An act to repeal timber-culture laws, and for other purposes", which provides, "That the President of the United States may, from time to time, set apart and reserve, in any State or Territory having public land bearing forests, in any part of the public lands wholly or in part covered with timber or undergrowth, whether of commercial value or not, as public reservations, and the President shall, by public proclamation, declare the establishment of such reservations and the limits thereof";

And whereas, it is further provided by the Act of Congress, approved June fourth, eighteen hundred and ninety-seven, entitled, "An act making appropriations for sundry civil expenses of the Government for the fiscal year ending June thirtieth, eighteen hundred and ninety-eight, and for other purposes", that "the President is hereby authorized at any time to modify any Executive order that has been or may hereafter be made establishing any forest reserve, and by such modification may reduce the area or change the boundary lines of such reserve, or may vacate altogether any order creating such reserve";

And whereas, it appears that the public good would be promoted by including within the said forest reserve certain additional lands, within the States of California and Nevada, which are in part covered with timber;

Now, therefore, I, THEODORE ROOSEVELT, President of the United States, by virtue of the power in me vested by the aforesaid act of Congress, approved June fourth, eighteen hundred and ninety-seven, do hereby make known and proclaim that the boundary lines of the aforesaid Lake Tahoe Forest Reserve are hereby so changed and enlarged as to read as follows:

Beginning at the north-west corner of Township seventeen (17) North, Range twelve (12) East, Mount Diablo Base and Meridian, California; thence easterly to the north-east corner of Township seventeen (17) North, Range seventeen (17) East; thence southerly to the south-west corner of Section six (6), Township seventeen (17) North, Range eighteen (18) East; thence easterly to the south-east corner of Section four (4), said township, in the State of Nevada; thence northerly to the north-east corner of said section; thence easterly to the south-east corner of Section thirty-four (34), Township eighteen (18) North, Range eighteen (18) East; thence northerly to the north-east corner of said section; thence easterly to the south-east corner of Section twenty-six (26), said township; thence northerly to the north-east corner of said section; thence easterly to the north-east corner of Section twenty-seven (27), Township eighteen (18) North, Range nineteen (19) East; thence southerly to the north-east corner of Section thirty-four (34), Township seventeen (17) North, Range nineteen (19) East; thence westerly to the north-west corner of said section; thence southerly to the south-west corner of said section; thence westerly to the north-west corner of east lot two (2) in Section six (6), Township sixteen (16) North, Range nineteen (19) East; thence southerly to the south-west corner of the south-east quarter of Section thirty-one (31), said township; thence westerly to the north-east corner of Township fifteen (15) North, Range eighteen (18) East; thence southerly to the south-east corner of Section one (1), said township; thence westerly to the south-west corner of said section; thence northerly to the north-west corner of said section; thence westerly along the Third (3rd) Standard Parallel North to its intersection with the shore-line of Lake Tahoe; thence in a general northwesterly and southerly direction along said shore-line to the north-east corner of lot six (6) in Section twenty-two (22), Township thirteen (13) North, Range seventeen (17) East, Mount Diablo Base and Meridian, California; thence southeasterly in a direct line to the northeast corner of lot one (1) in said section; thence in a general southeasterly direction along said shore-line to the point where it is intersected by the range line between Ranges seventeen (17) and eighteen (18) East; thence southerly to the south-west corner of Township twelve (12) North, Range eighteen (18) East; thence easterly to the south-east corner of Section thirty-five (35), said township; thence northerly to the north-east corner of Section eleven (11), said township; thence westerly to the north-west corner of said section; thence northerly to the north-east corner of lot fourteen (14) in Section three (3), said township; thence westerly to the south-west corner of lot three (3) in said section; thence northerly to the north-west corner of said lot; thence easterly to the south-east corner of Section thirty-two (32), Township thirteen (13) North, Range eighteen (18) East; thence northerly along the section line to its intersection with the shore-line of Lake Tahoe; thence in a general north-easterly direction along said shore-line to the point where it is intersected by the boundary line between the States of California and Nevada; thence in a general south-easterly direction along said state-boundary line to its intersection with the township line between Townships twelve (12) and thirteen (13) North; thence easterly to the north-east corner of Section six (6), Township twelve (12), North, Range nineteen (19) East, Mount Diablo Base and Meridian, Nevada; thence southerly to the south-east corner of said section; thence easterly to the north-east corner of Section eight (8), said township; thence southerly along the section lines to the point of intersection with the boundary line between the States of California and Nevada; thence in a general southeasterly direction along said state-boundary line to its intersection with the section line between Sections twenty-six (26) and twenty-seven (27), said township; thence southerly to the south-east corner of Section fifteen (15), Township eleven (11) North, Range nineteen (19) East, Mount Diablo Base and Meridian, California; thence westerly to the south-west corner of said section; thence southerly to the south-east corner of Section thirty-three (33), said township; thence westerly to the south-west corner of Township eleven (11) North, Range sixteen (16) East; thence northerly to the south-east corner of Township twelve (12) North, Range fifteen (15) East; thence westerly to the south-west corner of Section thirty-four (34), said township; thence northerly to the north-west corner of said section; thence westerly to the south-west corner of Section twenty-eight (28), said township; thence northerly to the south-east corner of Section seventeen (17), said township; thence westerly to the south-west corner of said section; thence northerly to the north-west corner of said section; thence westerly to the south-west corner of Section nine (9), Township twelve (12) North, Range fourteen (14) East; thence northerly to the north-east corner of Section twenty-nine (29), Township thirteen (13) North, Range fourteen (14) East; thence westerly to the north-east corner of Section twenty-six (26), Township thirteen (13) North, Range thirteen (13) East; thence southerly to the south-east corner of said section; thence westerly to the south-west corner of said section; thence southerly to the south-east corner of Section thirty-four (34), said township; thence westerly to the north-west corner of Section four (4), Township twelve (12) North, Range thirteen (13) East; thence southerly to the south-west corner of said section; thence westerly to the south-west corner of Section one (1), Township twelve (12) North, Range twelve (12) East; thence northerly to the north-west corner of said section; thence westerly to the south-east corner of Township thirteen (13) North, Range eleven (11) East; thence northerly to the north-east corner of Section twenty-five (25), said township; thence westerly to the south-east corner of Section twenty-three (23), said township; thence northerly to the north-east corner of said section; thence westerly to the north-west corner of said section; thence northerly to the south-east corner of Section ten (10), said township; thence westerly to the south-west corner of said section; thence northerly to the north-west corner of said section; thence westerly to the south-west corner of Section five (5), said township; thence northerly to the north-west corner of Section thirty-two (32), Township fourteen (14) North, Range eleven (11) East; thence easterly to the south-east corner of Section twenty-seven (27), said township; thence northerly to the north-east corner of Section fifteen (15), said township; thence westerly to the south-west corner of Section nine (9), said township; thence northerly to the north-west corner of said section; thence westerly to the south-west corner of Section six (6), said township; thence northerly to the south-east corner of Section twelve (12), Township fifteen (15) North, Range ten (10) East; thence westerly to the south-west corner of said section; thence northerly to the north-west corner of said section; thence easterly to the north-east corner of said section; thence northerly to the north-east corner of said township; thence easterly to the south-west corner of Section thirty-four (34), Township sixteen (16) North, Range eleven (11) East; thence northerly to the north-west corner of said section; thence easterly to the north-east corner of said section; thence northerly to the south-west corner of Section twenty-three (23), said township; thence easterly to the south-east corner of said section; thence northerly to the north-east corner of said section; thence easterly to the south-east corner of Section thirteen (13), said township; thence northerly to the north-west corner of Township seventeen (17) North, Range twelve (12) East, the place of beginning;

Excepting from the force and effect of this proclamation all lands which may have been, prior to the date hereof, embraced in any legal entry or covered by any lawful filing duly of record in the proper United States Land Office, or upon which any valid settlement has been made pursuant to law, and the statutory period within which to make entry or filing of record has not expired: *Provided*, that this exception shall not continue to apply to any particular tract of land unless the entryman, settler or claimant continues to comply with the law under which the entry, filing or settlement was made.

Warning is hereby expressly given to all persons not to make settlement upon the lands reserved by this proclamation.

This reservation shall be known hereafter as the Tahoe Forest Reserve.

In witness whereof, I have hereunto set my hand and caused the seal of the United States to be affixed.

[SEAL.] DONE at the City of Washington this 3d day of October, in the year of our Lord one thousand nine hundred and five, and of the Independence of the United States the one hundred and thirtieth.

THEODORE ROOSEVELT.

By the President:
ELIHU ROOT,
Secretary of State.

BY THE PRESIDENT OF THE UNITED STATES OF AMERICA.

A PROCLAMATION.

Whereas, the Lincoln Forest Reserve, in the Territory of New Mexico, was established by proclamation dated July twenty-sixth, nineteen hundred and two, under and by virtue of section twenty-four of the Act of Congress, approved March third, eighteen hundred and ninety-one, entitled, "An act to repeal timber-culture laws, and for other purposes," which provides, "That the President of the United States may, from time to time, set apart and reserve, in any State or Territory having public land bearing forests, in any part of the public lands wholly or in part covered with timber or undergrowth, whether of commercial value or not, as public reservations, and the President shall, by public proclamation, declare the establishment of such reservations and the limits thereof";

And whereas, it is further provided by the Act of Congress, approved June fourth, eighteen hundred and ninety-seven, entitled, "An act making appropriations for sundry civil expenses of the Government for the fiscal year ending June thirtieth, eighteen hundred and ninety-eight, and for other purposes," that "the President is hereby authorized at any time to modify any Executive order that has been or may hereafter be made establishing any forest reserve, and by such modification may reduce the area or change the boundary lines of such reserve, or may vacate altogether any order creating such reserve";

And whereas, it appears that the public good would be promoted by releasing and excluding certain lands from the said forest reserve, and by including therein certain additional lands, in the Territory of New Mexico, which are in part covered with timber;

Now, therefore, I, THEODORE ROOSEVELT, President of the United States, by virtue of the power in me vested by the aforesaid act of Congress, approved June fourth, eighteen hundred and ninety-seven, do hereby make known and proclaim that the boundary lines of the aforesaid Lincoln Forest Reserve are hereby so changed as to read as follows:

Beginning at the north-west corner of Township ten (10) South, Range ten (10) East, New Mexico Principal Meridian, New Mexico; thence easterly to the south-west corner of Section thirty-five (35), Township nine (9) South, Range ten (10) East; thence northerly to the north-west corner of said section; thence easterly to the north-east corner of said section; thence northerly to the north-west corner of Section twenty-four (24), said township; thence easterly to the north-east corner of said section; thence northerly to the north-west corner of Section seven (7), Township nine (9) South, Range eleven (11) East; thence easterly to the south-east corner of Section six (6), said township; thence northerly to the north-west corner of Section five (5), said township; thence easterly to the south-east corner of Section thirty-two (32), Township eight (8) South, Range eleven (11) East; thence northerly to the north-east corner of said section; thence easterly to the south-east corner of Section twenty-five (25), fractional Township eight (8) South, Range twelve (12) East; thence northerly to the north-east corner of said township; thence westerly to the south-east corner of Section thirty-five (35), Township seven (7) South, Range eleven (11) East; thence northerly to the north-east corner of said section; thence westerly to the north-west corner of said section; thence northerly to the north-west corner of Section fourteen (14), said township; thence easterly to the north-east corner of said section; thence northerly to the north-west corner of Section one (1), said township; thence easterly to the north-east corner of fractional Township seven (7) South, Range twelve (12) East; thence southerly to the south-west corner of Section seven (7), Township seven (7) South, Range thirteen (13) East; thence easterly to the south-east corner of Section twelve (12), said township; thence northerly to the north-west corner of Township seven (7) South, Range fourteen (14) East; thence easterly to the north-east corner of Section six (6), said township; thence southerly to the south-west corner of Section eight (8), said township; thence easterly to the north-east corner of Section fifteen (15), said township; thence southerly to the south-west corner of Section twenty-three (23), said township; thence easterly to the south-east corner of Section twenty-two (22), Township seven (7) South, Range fifteen (15) East; thence northerly to the north-east corner of said section; thence easterly to the south-east corner of Section seventeen (17), Township seven (7) South, Range sixteen (16) East; thence northerly to the north-east corner of said section; thence easterly to the north-east corner of Section thirteen (13), Township seven (7) South, Range seventeen (17) East; thence southerly to the south-west corner of Section nineteen (19), Township seven (7) South, Range eighteen (18) East; thence easterly to the north-east corner of Section twenty-seven (27), said township; thence southerly to the south-east corner of said section; thence easterly to the north-east corner of Section thirty-six (36), said township; thence southerly to the south-east corner of Section twenty-four (24), Township eight (8) South, Range eighteen (18) East; thence westerly to the south-west corner of said section; thence southerly to the south-east corner of Section thirty-five (35), said township; thence westerly to the north-west corner of Section two (2), Township nine (9) South, Range eighteen (18) East; thence southerly to the north-east corner of Section twenty-seven (27), said township; thence westerly to the north-west corner of said section; thence southerly to the south-west corner of said section; thence westerly to the north-west corner of Section thirty-one (31), said township; thence southerly to the south-east corner of Township nine (9) South, Range seventeen (17) East; thence westerly to the south-west corner of said township; thence northerly to the north-west corner of said township; thence westerly to the south-east corner of Township eight (8) South, Range fourteen (14) East; thence northerly to the north-east corner of Section twenty-four (24), said township; thence westerly to the north-west corner of Section twenty-one (21), said township; thence southerly to the south-east corner of the north-east quarter of Section twenty-nine (29), said township; thence westerly to the north-west corner of the south-west quarter of Section thirty (30), said township; thence southerly to the south-west corner of Township nine (9) South, Range fourteen (14) East; thence easterly along the township line to the western boundary line of the abandoned Fort Stanton Military Reservation; thence in a general south-easterly and north-easterly direction along the boundary of said reservation as extended by Executive order dated November first, eighteen hundred and ninety-nine, for the use of the United States Marine Hospital Service, to the north-west corner of lot two (2) in Section three (3), Township ten (10) South, Range fifteen (15) East; thence easterly to the north-east corner of said township; thence southerly to the south-east corner of Township eleven (11) South, Range fifteen (15) East; thence westerly to the south-west corner of Township eleven (11) South, Range thirteen (13) East; thence northerly to the north-west corner of said township; thence westerly to the south-west corner of Section thirty-five (35), Township ten (10) South, Range ten (10) East; thence northerly to the north-east corner of Section twenty-two (22), said township; thence westerly to the south-west corner of Section eighteen (18), said township; thence northerly to the north-west corner of said township, the place of beginning;

And further beginning at the north-east corner of Township thirteen (13) South, Range eleven (11) East; thence southerly to the south-east corner of said township; thence westerly to the south-west corner of Section thirty-four (34), Township thirteen (13) South, Range ten (10) East; thence northerly to the north-east corner of Section twenty-eight (28), said township; thence westerly to the north-west corner of said section; thence northerly to the north-east corner of Section eight (8), said township; thence westerly to the north-west corner of said section; thence northerly to the south-west corner of Section twenty-nine (29), Township twelve (12) South, Range ten (10) East; thence easterly to the south-east corner of said section; thence northerly to the north-east corner of said section; thence easterly to the south-east corner of Section twenty-one (21), said township; thence northerly to the south-west corner of Section ten (10), said township; thence easterly to the south-east corner of said section; thence northerly to the north-east corner of said section; thence easterly to the south-east corner of Section two (2), said township; thence northerly to the north-west corner of lot three (3) in Section one (1), said township; thence easterly to the north-east corner of lot one (1) in said section; thence southerly to the south-west corner of Township twelve (12) South, Range eleven (11) East; thence easterly to the north-east corner of Township thirteen (13) South, Range eleven (11) East, the place of beginning;

Such of the above-named corners as have not been established by the official surveys, being intended to be located at the points where such corners would fall in projecting the surveys in the directions indicated without allowing for any irregularities which may occur in actually extending the surveys;

Excepting from the force and effect of this proclamation all lands which may have been, prior to the date hereof, embraced in any legal entry or covered by any lawful filing duly of record in the proper United States Land Office, or upon which any valid settlement has been made pursuant to law, and the statutory period within which to make entry or filing of record has not expired: *Provided,* that this exception shall not continue to apply to any particular tract of land unless the entryman, settler or claimant continues to comply with the law under which the entry, filing or settlement was made.

The lands hereby excluded from the reserve and restored to the public domain shall be open to settlement from the date hereof, but shall not be subject to entry, filing or selection until after ninety days' notice by such publication as the Secretary of the Interior may prescribe.

Warning is hereby expressly given to all persons not to make settlement upon the lands reserved by this proclamation.

In witness whereof, I have hereunto set my hand and caused the seal of the United States to be affixed.

Done at the City of Washington this 3d day of October, [SEAL.] in the year of our Lord, one thousand nine hundred and five, and of the Independence of the United States the one hundred and thirtieth.

THEODORE ROOSEVELT.

By the President:

ELIHU ROOT,

Secretary of State.

BY THE PRESIDENT OF THE UNITED STATES OF AMERICA.

A PROCLAMATION.

Whereas, it is provided by section twenty-four of the Act of Congress, approved March third, eighteen hundred and ninety-one, entitled, "An act to repeal timber-culture laws, and for other purposes," "That the President of the United States may, from time to time, set apart and reserve, in any State or Territory having public land bearing forests, in any part of the public lands wholly or in part covered with timber or undergrowth, whether of commercial value or not, as public reservations, and the President shall, by public proclamation, declare the establishment of such reservations and the limits thereof";

And whereas, the public lands in the State of Montana, within the limits hereinafter described, are in part covered with timber, and it appears that the public good would be promoted by setting apart and reserving said lands as a public reservation;

Now, therefore, I, THEODORE ROOSEVELT, President of the United States, by virtue of the power in me vested by section twenty-four of the aforesaid Act of Congress, do hereby make known and proclaim that there are hereby reserved from entry or settlement and set apart as a Public Reservation all those certain tracts, pieces or parcels of land lying and being situate in the State of Montana, and within the boundaries particularly described as follows:

Beginning at the north-east corner of Section five (5), Township eight (8) North, Range five (5) East, Principal Meridian, Montana; thence southerly to the south-west corner of Section sixteen (16), Township seven (7) North, Range five (5) East; thence easterly to the north-east corner of Section twenty-two (22), said township; thence southerly to the south-east corner of Section three (3), Township six (6) North, Range five (5) East; thence westerly to the north-west corner of Section ten (10), said township; thence southerly to the south-west corner of said section; thence easterly to the north-east corner of Section fifteen (15), said township; thence southerly to the south-east corner of Section twenty-seven (27), said township; thence westerly to the north-west corner of Section thirty-four (34), Township six (6) North, Range four (4) East; thence southerly to the south-west corner of said section; thence easterly to the north-east corner of Section three (3), Township five (5) North, Range four (4) East; thence southerly to the south-west corner of Section two (2), said township; thence easterly to the north-east corner of the north-west quarter of Section eleven (11), said township; thence southerly to the south-west corner of the south-east quarter of said section; thence easterly to the south-east corner of Section twelve (12), said township; thence northerly to the north-west corner of Section seven (7), Township five (5) North, Range five (5) East; thence easterly to the north-east corner of Section eight (8), said township; thence southerly to the south-west corner of the north-west quarter of Section nine (9), said township; thence easterly to the south-east corner of the north-east quarter of Section ten (10), said township; thence northerly to the north-west corner of Section eleven (11), said township; thence easterly to the north-east corner of Section twelve (12), said township; thence northerly to the north-west corner of Township five (5) North, Range six (6) East; thence easterly to the north-east corner of Section six (6), said township; thence southerly to the south-west corner of Section seventeen (17), said township; thence easterly to the north-east corner of Section twenty-one (21), said township; thence southerly to the south-west corner of Section twenty-two (22), said township; thence easterly to the south-east corner of Section twenty-three (23), said township; thence northerly to the north-west corner of Section thirteen (13), said township; thence easterly to the north-east corner of said section; thence southerly to the north-east corner of Section thirty-six (36), said township; thence westerly to the north-west corner of said section; thence southerly, allowing for the offset on the First (1st) Standard Parallel North, to the south-east corner of Section two (2), Township four (4) North, Range six (6) East; thence westerly to the north-west corner of Section eleven (11), said township; thence southerly to the south-west corner of Section thirty-five (35), said township; thence easterly to the south-east corner of said township; thence northerly to the north-west corner of Section thirty (30), Township four (4) North, Range seven (7) East; thence easterly to the south-east corner of Section nineteen (19), said township; thence northerly to the north-west corner of Section twenty (20), said township; thence easterly to the north-east corner of said section; thence southerly to the south-west corner of Section twenty-one (21), said township; thence easterly to the north-east corner of Section twenty-eight (28), said township; thence southerly to the south-east corner of Section four (4), Township three (3) North, Range seven (7) East; thence westerly to the north-west corner of Section nine (9), said township; thence southerly to the south-east corner of Section eight (8), said township; thence westerly to the north-west corner of Section eighteen (18), said township; thence southerly to the south-east corner of Section twenty-four (24), Township three (3) North, Range six (6) East; thence westerly to the north-west corner of Section twenty-six (26), said township; thence southerly to the south-west corner of Section thirty-five (35), said township; thence easterly to the north-east corner of Section two (2), Township two (2) North, Range six (6) East; thence southerly to the south-west corner of Section one (1), said township; thence easterly to the north-east corner of Section twelve (12), said township; thence southerly to the south-west corner of Section seven (7), Township two (2) North, Range seven (7) East; thence easterly to the south-east corner of said section; thence southerly to the south-west corner of Section seventeen (17), said township; thence easterly to the north-west corner of Section twenty-one (21), said township; thence southerly to the south-west corner of said section; thence easterly to the south-east corner of said section; thence northerly to the north-east corner of said section; thence easterly to the south-east corner of Section fifteen (15), said township; thence northerly to the north-west corner of Section fourteen (14), said township; thence easterly to the south-west corner of Section twelve (12), said township; thence northerly to the north-west corner of said section; thence easterly to the north-east corner of said section; thence southerly to the south-east corner of said section; thence easterly to the north-east corner of Section eighteen (18), Township two (2) North, Range eight (8) East; thence southerly to the south-east corner of Section thirty (30), said township; thence westerly to the north-west corner of Section thirty-six (36), Township two (2) North, Range seven (7) East; thence southerly to the south-east corner of Section thirty-five (35), said township; thence westerly to the north-west corner of Section three (3), Township one (1) North, Range seven (7) East; thence southerly to the south-west corner of said section; thence easterly to the north-east corner of Section ten (10), said township; thence southerly to the south-west corner of Section eleven (11), said township; thence easterly to the north-east corner of Section fourteen (14), said township; thence southerly to the south-west corner of Section thirteen (13), said township; thence easterly to the north-east corner of Section nineteen (19), Township one (1) North, Range eight (8) East; thence southerly to the south-east corner of said section; thence easterly to the north-east corner of Section twenty-seven (27), said township; thence southerly to the south-east corner of said section; thence westerly to the north-west corner of Section thirty-four (34), said township; thence southerly to the south-east corner of Section thirty-three (33), said township; thence westerly to the north-west corner of Section three (3), Township one (1) South, Range eight (8) East; thence southerly to the south-west corner of said section; thence easterly to the south-east corner of said section; thence southerly to the north-east corner of Section twenty-seven (27), said township; thence westerly to the north-west corner of said section; thence southerly to the south-west corner of said section; thence westerly to the north-west corner of Section thirty-three (33), said township; thence southerly to the south-east corner of Section thirty-two (32), said township; thence westerly to the south-west corner of said township; thence northerly to the north-east corner of Section thirty-six (36), Township one (1) South, Range seven (7) East; thence westerly to the south-west corner of Section twenty-six (26), said township; thence northerly to the north-east corner of Section twenty-seven (27), said township; thence westerly to the south-west corner of Section twenty-two (22), said township; thence northerly to the north-east corner of Section four (4), said township; thence westerly to the south-west corner of Section thirty-three (33), Township one (1) North, Range seven (7) East; thence northerly to the north-east corner of Section seventeen (17), said township; thence westerly to the north-west corner of said section; thence southerly to the south-east corner of Section thirty-one (31), said township; thence westerly to the north-west corner of Section five (5), Township one (1) South, Range seven (7) East; thence southerly to the south-east corner of Section seven (7), said township; thence westerly to the north-west corner of Section eighteen (18), said township; thence southerly to the south-east corner of Section thirteen (13), Township one (1) South, Range six (6) East; thence westerly to the north-west corner of Section twenty-three (23), said township; thence southerly to the south-east corner of Section twenty-seven (27), said township; thence westerly to the south-west corner of said section; thence northerly to the north-east corner of Section four (4), said township; thence westerly to the south-west corner of Section thirty-two (32), Township one (1) North, Range six (6) East; thence northerly to the south-west corner of Section twenty (20), said township; thence easterly to the south-east corner of said section; thence northerly to the north-east corner of said section; thence easterly to the south-east corner of Section sixteen (16), said township; thence northerly to the north-east corner of said section; thence westerly to the north-west corner of said section; thence northerly to the north-east corner of Section five (5), said township; thence westerly to the south-west corner of Section thirty-two (32), Township two (2) North, Range six (6) East; thence northerly to the north-east corner of Section thirty-one (31), said township; thence westerly to the south-west corner of Section thirty (30), said township; thence northerly to the north-east corner of Section twenty-four (24), Township two (2) North, Range five (5) East; thence westerly to the south-west corner of Section thirteen (13), said township; thence northerly to the north-east corner of Section twenty-six (26), Township three (3) North, Range five (5) East; thence westerly to the south-west corner of Section twenty-three (23), said township; thence northerly to the north-east corner of Section fifteen (15), said township; thence westerly to the south-west corner of Section ten (10), said township; thence northerly to the north-west corner of Section three (3), said township; thence easterly to the south-east corner of Section thirty-two (32), Township four (4) North, Range six (6) East; thence northerly to the north-east corner of Section eight (8), said township; thence westerly to the south-west corner of Section five (5), said township; thence northerly to the north-east corner of Section six (6), said township; thence westerly to the south-west corner of Township five (5) North, Range six (6) East; thence northerly to the north-east corner of Section twenty-five (25), Township five (5) North, Range five (5) East; thence westerly to the north-west corner of said section; thence southerly to the south-west corner of said section; thence westerly to the north-west corner of Section thirty-five (35), said township; thence southerly to the south-west corner of said section; thence westerly to the north-west corner of Section five (5), Township four (4) North, Range five (5) East; thence southerly to the south-east corner of Section six (6), said township; thence westerly to the south-west corner of Section five (5), Township four (4) North, Range four (4) East; thence northerly, allowing for the offset on the First (1st) Standard Parallel North, to the north-east corner of Section nineteen (19), Township five (5) North, Range four (4) East; thence westerly to the south-west corner of Section eighteen (18), said township; thence northerly to the north-east corner of Section twelve (12), Township five (5) North, Range three (3) East; thence westerly to the south-west corner of Section one (1), said township; thence northerly to the north-east corner of Section two (2), said township; thence westerly to the south-west corner of Section thirty-five (35), Township six (6) North, Range three (3) East; thence northerly to the north-west corner of Section twenty-six (26), said township; thence easterly to the south-east corner of Section twenty-one (21), Township six (6) North, Range four (4) East; thence northerly to the north-east corner of Section four (4), said township; thence westerly to the south-west corner of Section thirty-three (33), Township seven (7) North, Range four (4) East; thence northerly to the north-east corner of Section thirty-two (32), said township; thence westerly to the south-west corner of Section twenty-nine (29), said township; thence northerly to the north-east corner of Section six (6), said township; thence westerly to the south-west corner of Township eight (8) North, Range four (4) East; thence northerly to the north-east corner of Section twelve (12), Township eight (8) North, Range three (3) East; thence westerly to the south-west corner of Section two (2), said township; thence northerly, allowing for the offset on the Second (2nd) Standard Parallel North, to the north-east corner of Section thirty-four (34), Township nine (9) North, Range three (3) East; thence westerly to the south-west corner of Section twenty-eight (28), said township; thence northerly to the north-east corner of Section twenty-nine (29), said township; thence westerly to the south-west corner of Section nineteen (19), said township; thence northerly to the north-east corner of Section thirteen (13), Township nine (9) North, Range two (2) East; thence westerly to the north-west corner of said section; thence northerly to the north-east corner of Section twenty-six (26), Township ten (10) North, Range two (2) East; thence westerly to the south-west corner of Section nineteen (19), said township; thence northerly to the north-east corner of Section thirteen (13), Township ten (10) North, Range one (1) East; thence westerly to the south-west corner of Section eleven (11), said township; thence northerly to the north-east corner of Section ten (10), said township; thence westerly to the south-west corner of Section six (6), said township; thence northerly to the north-east corner of Township ten (10) North, Range one (1) West; thence westerly to the south-west corner of Section thirty-three (33), Township eleven (11) North, Range one (1) West; thence northerly to the north-east corner of Section thirty-two (32), said township; thence westerly to the south-west corner of Section twenty-nine (29), said township; thence northerly to the north-east corner of Section thirty (30), said township; thence westerly to the south-west corner of Section nineteen (19), said township; thence northerly to the north-east corner of Section twelve (12), Township eleven (11) North, Range two (2) West; thence westerly to the south-west corner of Section four (4), said township; thence northerly to the north-west corner of said section; thence westerly along the township line to its intersection with the Missouri River; thence in a general northwesterly direction down the middle of the channel of said river to its intersection with the section line between Sections eleven (11) and twelve (12), Township twelve (12) North, Range three (3) West; thence northerly along the section lines to the intersection of the section line between Sections one (1) and two (2), said township, with the said river; thence in a general northeasterly direction down the middle of the channel of said river to its intersection with the range line between Section eighteen (18), Township thirteen (13) North, Range two (2) West, and Section thirteen (13), Township thirteen (13) North, Range three (3) West; thence northerly to the north-west corner of Section eighteen (18), Township thirteen (13) North, Range two (2) West; thence easterly to the south-east corner of Section seven (7), said township; thence northerly to the north-west corner of Section five (5), said township; thence easterly to the south-east corner of Township fourteen (14) North, Range two (2) West; thence northerly to the north-west corner of Section thirty (30), Township fourteen (14) North, Range one (1) West; thence easterly to the north-east corner of Section twenty-eight (28), said township; thence southerly to the south-west corner of Section twenty-seven (27), said township; thence easterly to the north-east corner of Section thirty-four (34), said township; thence southerly to the south-west corner of Section fourteen (14), Township thirteen (13) North, Range one (1) West; thence easterly to the south-east corner of Section thirteen (13), said township; thence northerly to the north-west corner of Section eighteen (18), Township thirteen (13) North, Range one (1) East; thence easterly to the south-east corner of Section seven (7), said township; thence northerly to the north-west corner of Section eight (8), said township; thence easterly to the north-east corner of Section twelve (12), said township; thence southerly to the south-west corner of Section seven (7), Township thirteen (13) North, Range two (2) East; thence easterly to the north-east corner of Section eighteen (18), said township; thence southerly to the south-west corner of Section twenty-nine (29), said township; thence easterly to the north-east corner of Section thirty-three (33), said township; thence southerly, allowing for the offset on the Third (3rd) Standard Parallel North, to the south-west corner of Section fifteen (15), Township twelve (12) North, Range two (2) East; thence easterly to the north-east corner of Section twenty-three (23), said township; thence southerly to the south-west corner of Section twenty-four (24), said township; thence easterly to the north-east corner of Section twenty-five (25), said township; thence southerly to the south-west corner of Section eighteen (18), Township eleven (11) North, Range three (3) East; thence easterly to the north-east corner of Section twenty (20), said township; thence southerly to the south-west corner of Section twenty-one (21), said township; thence easterly to the north-east corner of Section twenty-five (25), said township; thence southerly to the south-west corner of Section eighteen (18), Township ten (10) North, Range four (4) East; thence easterly to the south-east corner of said section; thence southerly to the north-west corner of Section thirty-two (32), said township; thence easterly to the north-east corner of said section; thence southerly to the south-east corner of said section; thence easterly to the north-east corner of Section four (4), Township nine (9) North, Range four (4) East; thence southerly to the south-west corner of Section fifteen (15), said township; thence easterly to the south-east corner of said section; thence southerly to the north-west corner of Section thirty-five (35), said township; thence easterly to the north-east corner of said section; thence southerly to the south-east corner of said section; thence easterly to the north-east corner of Section five (5), Township eight (8) North, Range five (5) East, the place of beginning;

And further beginning at the south-east corner of Section twenty-one (21), Township twelve (12) North, Range four (4) East, Principal Meridian, Montana; thence westerly, allowing for the offset on the range line, to the south-west corner of Section twenty (20), Township twelve (12) North, Range three (3) East; thence northerly to the north-west corner of Section eight (8), said township; thence easterly to the south-east corner of Section five (5), said township; thence northerly to the north-west corner of Section four (4), said township; thence easterly to the south-east corner of Section thirty-four (34), Township thirteen (13) North, Range three (3) East; thence northerly to the north-west corner of Section twenty-six (26), said township; thence easterly, allowing for the offset on the range line, to the north-east corner of Section twenty-nine (29), Township thirteen (13) North, Range four (4) East; thence southerly to the south-west corner of Section twenty-eight (28), said township; thence easterly to the north-east corner of Section thirty-three (33), said township; thence southerly to the south-west corner of Section thirty-four (34), said township; thence easterly to the north-east corner of Section three (3), Township twelve (12) North, Range four (4) East; thence southerly to the south-east corner of Section fifteen (15), said township; thence westerly to the north-west corner of Section twenty-two (22), said township; thence southerly to the south-east corner of Section twenty-one (21), said township, the place of beginning;

Such of the above-named corners as have not been established by the official surveys being intended to be located at the points where such corners would fall in projecting the surveys in the directions indicated without allowing for any irregularities which may occur in actually extending the surveys;

Excepting from the force and effect of this proclamation all lands which may have been, prior to the date hereof, embraced in any legal entry or covered by any lawful filing duly of record in the proper United States Land Office, or upon which any valid settlement has been made pursuant to law, and the statutory period within which to make entry or filing of record has not expired: *Provided,* that this exception shall not continue to apply to any particular tract of land unless the entryman, settler or claimant continues to comply with the law under which the entry, filing or settlement was made.

Warning is hereby expressly given to all persons not to make settlement upon the lands reserved by this proclamation.

The reservation hereby established shall be known as the Big Belt Forest Reserve.

In witness whereof, I have hereunto set my hand and caused the seal of the United States to be affixed.

[SEAL.] DONE at the City of Washington this 3d day of October, in the year of our Lord, one thousand nine hundred and five, and of the Independence of the United States the one hundred and thirtieth.

THEODORE ROOSEVELT.

By the President:

ELIHU ROOT,
Secretary of State.

BY THE PRESIDENT OF THE UNITED STATES OF AMERICA.

A PROCLAMATION.

Whereas, it is provided by section twenty-four of the Act of Congress, approved March third, eighteen hundred and ninety-one, entitled, "An act to repeal timber-culture laws, and for other purposes," "That the President of the United States may, from time to time, set apart and reserve, in any State or Territory having public land bearing forests, in any part of the public lands wholly or in part covered with timber or undergrowth, whether of commercial value or not, as public reservations, and the President shall, by public proclamation, declare the establishment of such reservations and the limits thereof";

And whereas, the public lands in the Territory of Arizona, within the limits hereinafter described, are in part covered with timber, and it appears that the public good would be promoted by setting apart and reserving said lands as a public reservation;

Now, therefore, I, THEODORE ROOSEVELT, President of the United States, by virtue of the power in me vested by section twenty-four of the aforesaid Act of Congress, do hereby make known and proclaim that there are hereby reserved from entry or settlement and set apart as a Public Reservation all those certain tracts, pieces or parcels of land lying and being situate in the Territory of Arizona, and within the boundaries particularly described as follows:

Beginning at the north-west corner of Township twelve (12) North, Range seven (7) East, Gila and Salt River Meridian, Arizona; thence southerly to the south-west corner of Section six (6), said township; thence easterly to the north-east corner of Section eight (8), said township; thence southerly to the south-east corner of Section seventeen (17), said township; thence westerly to the north-west corner of Section twenty (20), said township; thence southerly to the south-east corner of Section nineteen (19), Township eleven and one-half (11½) North, Range seven (7) East; thence westerly to the north-west corner of Section thirty (30), said township; thence southerly to the south-west corner of Section nineteen (19), Township eleven (11) North, Range seven (7) East; thence easterly to the north-east corner of Section twenty-nine (29), said township; thence southerly to the south-west corner of Section twenty-eight (28), said township; thence easterly to the north-east corner of Section thirty-six (36), said township; thence southerly to the south-west corner of Township eleven (11) North, Range eight (8) East; thence easterly to the north-east corner of Section five (5), Township ten (10) North, Range eight (8) East; thence southerly to the south-west corner of Section four (4), said township; thence easterly to the north-east corner of Section nine (9), said township; thence southerly to the south-west corner of Section ten (10), said township; thence easterly to the north-east corner of Section fifteen (15), said township; thence southerly to the south-west corner of Section fourteen (14), said township; thence easterly to the north-east corner of Section twenty-four (24), said township; thence southerly to the south-east corner of said township; thence westerly to the north-west corner of Township nine (9) North, Range eight (8) East; thence southerly, allowing for the proper offset on the Second (2nd) Standard Parallel North, to the south-west corner of Township eight (8) North, Range eight (8) East; thence easterly to the north-east corner of Section four (4), Township seven (7) North, Range eight (8) East; thence southerly to the south-west corner of Section thirty-four (34), said township; thence easterly to the north-east corner of Section three (3), Township six (6) North, Range eight (8) East; thence southerly to the south-east corner of said section; thence easterly to the north-west corner of Section twelve (12), said township; thence southerly to the south-west corner of said section; thence easterly to the south-east corner of said section; thence southerly to the south-west corner of Section eighteen (18), Township six (6) North, Range nine (9) East; thence easterly to the north-east corner of Section twenty (20), said township; thence southerly to the south-west corner of Section four (4), Township five (5) North, Range nine (9) East; thence easterly to the north-east corner of Section nine (9), said township; thence southerly to the south-west corner of Section fifteen (15), said township; thence easterly to the north-east corner of Section twenty-two (22), said township; thence southerly to the south-west corner of Section twenty-three (23), said township; thence easterly to the north-east corner of Section twenty-six (26), said township; thence southerly to the south-west corner of Section twenty-five (25), said township; thence easterly to the north-east corner of Section thirty-six (36), said township; thence southerly to the south-west corner of

Township five (5) North, Range ten (10) East; thence easterly to the north-east corner of Section six (6), Township four (4) North, Range ten (10) East; thence southerly to the south-west corner of Section twenty (20), said township; thence easterly to the north-east corner of Section twenty-nine (29), said township; thence southerly to the south-west corner of Section twenty-eight (28), said township; thence easterly to the north-east corner of Section thirty-three (33), said township; thence southerly to the south-west corner of Section thirty-four (34), said township; thence easterly to the north-east corner of Section three (3), Township three (3) North, Range ten (10) East; thence southerly to the south-west corner of Section two (2), said township; thence easterly to the north-east corner of Section eleven (11), said township; thence southerly to the south-west corner of Section twelve (12), said township; thence easterly to the south-east corner of Section nine (9), Township three (3) North, Range eleven (11) East; thence northerly to the north-west corner of Section ten (10), said township; thence easterly to the south-east corner of Section three (3), said township; thence northerly to the north-east corner of Section twenty-seven (27), Township four (4) North, Range eleven (11) East; thence westerly to the south-west corner of Section twenty-two (22), said township; thence northerly to the north-east corner of Section sixteen (16), said township; thence westerly to the south-west corner of Section eight (8), said township; thence northerly to the north-east corner of Section seven (7), said township; thence westerly to the south-west corner of Section six (6), said township; thence northerly, allowing for the proper offset on the First (1st) Standard Parallel North, to the north-west corner of Township six (6) North, Range eleven (11) East; thence easterly to the north-east corner of said township; thence southerly to the south-west corner of Section six (6), Township six (6) North, Range twelve (12) East; thence easterly to the north-east corner of Section nine (9), said township; thence southerly to the south-west corner of Section ten (10), said township; thence easterly to the north-east corner of Section fifteen (15), said township; thence southerly to the south-west corner of Section fourteen (14), said township; thence easterly to the north-east corner of Section twenty-four (24), said township; thence southerly to the south-west corner of Township six (6) North, Range thirteen (13) East; thence easterly to the north-east corner of Section six (6), Township five (5) North, Range thirteen (13) East; thence southerly to the south-west corner of Section five (5), said township; thence easterly to the north-east corner of Section eight (8), said township; thence southerly to the south-west corner of Section twenty-one (21), said township; thence easterly to the north-east corner of Section twenty-eight (28), said township; thence southerly to the south-west corner of Section twenty-seven (27), said township; thence easterly to the north-east corner of Section thirty-six (36), said township; thence southerly to the south-west corner of Township five (5) North, Range fourteen (14) East; thence easterly to the north-east corner of Section five (5), Township four (4) North, Range fourteen (14) East; thence southerly to the south-west corner of Section four (4), said township; thence easterly to the north-east corner of Section nine (9), said township; thence southerly to the south-west corner of Section ten (10), said township; thence easterly along the section lines to the point of intersection with the western boundary of the White Mountain or San Carlos Indian Reservation, or the prolongation thereof; thence in a general northerly direction along the boundary of said reservation to its intersection with the southern boundary of the Black Mesa Forest Reserve; thence in a general north-westerly direction along the boundary of said forest reserve and the Third (3rd) Standard Parallel North to the north-west corner of Township twelve (12) North, Range seven (7) East, the place of beginning; such of the above-named corners as have not been established by the official surveys being intended to be located at the points where such corners would fall in projecting the surveys in the directions indicated without allowing for any irregularities which may occur in actually extending the surveys;

Excepting from the force and effect of this proclamation all lands which may have been, prior to the date hereof, embraced in any legal entry or covered by any lawful filing duly of record in the proper United States Land Office, or upon which any valid settlement has been made pursuant to law, and the statutory period within which to make entry or filing of record has not expired: *Provided,* that this exception shall not continue to apply to any particular tract of land unless the entryman, settler or claimant continues to comply with the law under which the entry, filing or settlement was made.

Warning is hereby expressly given to all persons not to make settlement upon the lands reserved by this proclamation.

The reservation herebv established shall be known as the Tonto Forest Reserve.

In witness whereof, I have hereunto set my hand and caused the seal of the United States to be affixed.

[SEAL.] DONE at the City of Washington this 3d day of October, in the year of our Lord one thousand nine hundred and five, and of the Independence of the United States the one hundred and thirtieth.

THEODORE ROOSEVELT.

By the President:

ELIHU ROOT,

Secretary of State.

BY THE PRESIDENT OF THE UNITED STATES OF AMERICA.

A PROCLAMATION.

Whereas, it is provided by section twenty-four of the Act of Congress, approved March third, eighteen hundred and ninety-one, entitled, "An act to repeal timber-culture laws, and for other purposes," "That the President of the United States may, from time to time, set apart and reserve, in any State or Territory having public land bearing forests, in any part of the public lands wholly or in part covered with timber or undergrowth, whether of commercial value or not, as public reservations, and the President shall, by public proclamation, declare the establishment of such reservations and the limits thereof";

And whereas, the public lands in the State of California, within the limits hereinafter described, are in part covered with timber, and it appears that the public good would be promoted by setting apart and reserving said lands as a public reservation;

Now, therefore, I, THEODORE ROOSEVELT, President of the United States, by virtue of the power in me vested by section twenty-four of the aforesaid Act of Congress, do hereby make known and proclaim that there are hereby reserved from entry or settlement and set apart as a Public Reservation all those certain tracts, pieces or parcels of land lying and being situate in the State of California, and within the boundaries particularly described as follows:

Beginning at the north-west corner of Section three (3), Township forty-two (42) North, Range four (4) West, Mount Diablo Base and Meridian, California; thence easterly to the north-east corner of said township; thence southerly to the south-west corner of Section six (6), Township forty-two (42) North, Range three (3) West; thence easterly to the south-east corner of Section three (3), said township; thence northerly to the north-east corner of said section; thence westerly to the south-west corner of Section thirty-four (34), Township forty-three (43) North, Range three (3) West; thence northerly to the north-west corner of Section twenty-seven (27), said township; thence easterly to the south-east corner of Section twenty-three (23), Township forty-three (43) North, Range two (2) West; thence northerly to the north-east corner of said section; thence easterly to the north-west corner of Section twenty-three (23), Township forty-three (43) North, Range one (1) West; thence southerly to the south-west corner of said section; thence easterly to the south-east corner of said section; thence southerly to the south-west corner of Section thirty-six (36), said township; thence easterly to the north-east corner of Township forty-two (42) North, Range one (1) East; thence southerly to the south-east corner of Section twelve (12), said township; thence westerly to the north-west corner of Section sixteen (16), said township;

thence southerly to the south-east corner of Section twenty-nine (29), said township; thence westerly to the north-west corner of Section thirty-six (36), Township forty-two (42) North, Range one (1) West; thence southerly to the north-east corner of Section eleven (11), Township forty-one (41) North, Range one (1) West; thence westerly to the north-west corner of said section; thence southerly to the south-west corner of said section; thence westerly to the north-west corner of Section thirteen (13), Township forty-one (41) North, Range two (2) West; thence southerly, allowing for the offset on the Eighth (8th) Standard Parallel North, to the south-east corner of Section eleven (11), Township forty (40) North, Range two (2) West; thence westerly to the north-west corner of Section seventeen (17), said township; thence southerly to the south-east corner of Section nineteen (19), said township; thence westerly to the south-west corner of Section nineteen (19), Township forty (40) North, Range three (3) West; thence northerly to the north-east corner of Section twelve (12), Township forty (40) North, Range four (4) West; thence westerly to the south-west corner of Section two (2), said township; thence northerly to the north-west corner of said section; thence westerly to the south-west corner of Section thirty-three (33), Township forty-one (41) North, Range four (4) West; thence northerly to the north-west corner of Section twenty-eight (28), said township; thence easterly to the north-east corner of said section; thence northerly to the north-west corner of Section three (3), Township forty-two (42) North, Range four (4) West, the place of beginning;

And further beginning at the north-east corner of Section six (6), Township forty-one (41) North, Range five (5) West, Mount Diablo Base and Meridian, California; thence southerly to the south-west corner of Section thirty-two (32), said township; thence easterly to the north-east corner of Section four (4), Township forty (40) North, Range five (5) West; thence southerly to the north-east corner of Section sixteen (16), said township; thence westerly to the north-west corner of said section; thence southerly to the south-west corner of said section; thence easterly to the south-east corner of said section; thence southerly to the north-west corner of Section thirty-four (34), said township; thence easterly to the north-east corner of said section; thence southerly, allowing for the offset on the township line, to the south-west corner of Section twelve (12), Township thirty-nine (39) North, Range five (5) West; thence easterly to the north-east corner of Section eighteen (18), Township thirty-nine (39) North, Range four (4) West; thence southerly to the south-east corner of said section; thence easterly to the north-east corner of Section twenty-one (21), said township; thence southerly to the south-east corner of Section nine (9), Township thirty-eight (38) North, Range four (4)

West; thence westerly to the north-west corner of Section seventeen (17), said township; thence southerly to the south-east corner of Section thirty (30), said township; thence westerly to the north-west corner of Section thirty-six (36), Township thirty-eight (38) North, Range five (5) West; thence southerly to the south-east corner of Section two (2), Township thirty-seven (37) North, Range five (5) West; thence westerly to the south-west corner of said section; thence southerly to the south-east corner of Section twenty-seven (27), said township; thence westerly to the south-east corner of Section thirty (30), said township; thence northerly to the north-east corner of said section; thence westerly to the north-west corner of said section; thence northerly to the north-east corner of Section twenty-four (24), Township thirty-seven (37) North, Range six (6) West; thence westerly to the north-west corner of said section; thence southerly to the south-west corner of said section; thence westerly to the north-west corner of Section twenty-six (26), said township; thence southerly to the south-west corner of Section two (2), Township thirty-six (36) North, Range six (6) West; thence easterly to the north-west corner of Section seven (7), Township thirty-six (36) North, Range five (5) West; thence southerly to the south-west corner of said section; thence easterly to the south-east corner of said section; thence southerly to the south-west corner of Section twenty (20), said township; thence easterly to the south-east corner of said section; thence southerly to the south-west corner of Section thirty-three (33), said township; thence easterly to the north-east corner of Section five (5), Township thirty-five (35) North, Range five (5) West; thence southerly to the south-east corner of Section thirty-two (32), said township; thence westerly to the south-west corner of said township; thence northerly to the north-east corner of Section thirty-six (36), Township thirty-five (35) North, Range six (6) West; thence westerly to the north-west corner of said section; thence southerly to the south-west corner of said section; thence westerly to the south-west corner of said township; thence northerly to the north-east corner of Section thirty-six (36), Township thirty-five (35) North, Range seven (7) West; thence westerly to the north-west corner of said section; thence southerly to the north-east corner of Section thirty-five (35), Township thirty-four (34) North, Range seven (7) West; thence westerly to the north-west corner of said section; thence southerly to the south-west corner of said section; thence westerly to the south-west corner of said township; thence northerly to the north-east corner of Section thirty-six (36), Township thirty-four (34) North, Range eight (8) West; thence westerly to the north-west corner of said section; thence southerly to the south-west corner of said section; thence westerly to the south-west corner of said township; thence northerly to the north-east corner of Section thirty-six (36), Township thirty-four (34) North, Range nine (9) West; thence westerly to the north-west corner of said section; thence southerly to the south-west corner of said section; thence westerly to the south-west corner of said township; thence northerly to the north-east corner of Section thirty-six (36), Township thirty-four (34) North, Range ten (10) West; thence westerly to the north-west corner of said section; thence southerly to the south-west corner of said section; thence westerly to the south-west corner of Section thirty-four (34), said township; thence northerly to the north-east corner of Section nine (9), said township; thence westerly to the north-west corner of Section seven (7), said township; thence southerly to the south-east corner of Section twenty-four (24), Township thirty-four (34) North, Range eleven (11) West; thence westerly to the south-east corner of Section twenty-one (21), said township; thence northerly to the north-east corner of said section; thence westerly to the north-west corner of said section; thence northerly to the north-west corner of Section four (4), Township thirty-five (35) North, Range eleven (11) West; thence easterly to the south-east corner of Section thirty-three (33), Township thirty-six (36) North, Range eleven (11) West; thence northerly to the north-west corner of Section ten (10), said township; thence easterly to the north-east corner of Section twelve (12), said township; thence southerly to the south-west corner of Section seven (7), Township thirty-six (36) North, Range ten (10) West; thence easterly to the south-east corner of Section eight (8), said township; thence northerly to the north-west corner of Section four (4), said township; thence easterly to the north-east corner of said section; thence northerly to the north-west corner of Section twenty-seven (27), Township thirty-seven (37) North, Range ten (10) West; thence easterly to the north-east corner of said section; thence northerly to the north-west corner of Section eleven (11), said township; thence easterly to the north-east corner of said section; thence northerly to the north-west corner of Section thirty-six (36), Township thirty-eight (38) North, Range ten (10) West; thence easterly to the north-east corner of said section; thence northerly to the north-east corner of Township thirty-nine (39) North, Range ten (10) West; thence westerly to the south-west corner of Section thirty-three (33), Township forty (40) North, Range ten (10) West; thence northerly to the north-east corner of fractional Section five (5), said township; thence westerly to the south-west corner of Township forty-one (41) North, Range ten (10) West; thence northerly to the north-west corner of said township; thence easterly to the north-east corner of said township; thence southerly to the north-east corner of Section thirty-six (36), said township; thence westerly to the north-west corner of said section; thence southerly to the south-west corner of said section; thence easterly to the north-east corner of Section four (4), Township forty (40) North, Range nine (9) West; thence southerly to the north-east corner of Section sixteen (16), said township; thence westerly to the north-west corner of said section; thence southerly to the south-west corner of said section; thence easterly to the south-east corner of said section; thence southerly to the south-west corner of Section thirty-four (34), said township; thence easterly to the south-east corner of Section thirty-three (33), Township forty (40) North, Range eight (8) West; thence northerly to the north-west corner of Section twenty-seven (27), said township; thence easterly to the south-west corner of Section twenty-four (24), said township; thence northerly to the north-west corner of said section; thence easterly to the north-east corner of said section; thence northerly to the north-west corner of Section eighteen (18), Township forty (40) North, Range seven (7) West; thence easterly to the north-east corner of said section; thence northerly to the north-west corner of fractional Section five (5), said township; thence easterly to the south-east corner of Section thirty-one (31), Township forty-one (41) North, Range seven (7) West; thence northerly to the north-east corner of said section; thence easterly to the south-east corner of Section twenty-eight (28), said township; thence northerly to the south-west corner of Section fifteen (15), said township; thence easterly to the south-east corner of said section; thence northerly to the north-east corner of said section; thence easterly to the south-east corner of Section eleven (11), said township; thence northerly to the north-east corner of said section; thence easterly to the south-east corner of Section five (5), Township forty-one (41) North, Range six (6) West; thence northerly to the north-east corner of said section; thence easterly to the north-east corner of Section six (6), Township forty-one (41) North, Range five (5) West, the place of beginning;

And further beginning at the north-west corner of Section twenty-nine (29), Township thirty-nine (39) North, Range one (1) West, Mount Diablo Base and Meridian, California; thence easterly to the north-east corner of Section twenty-five (25), said township; thence southerly to the south-west corner of Section nineteen (19), Township thirty-nine (39) North, Range one (1) East; thence easterly to the north-east corner of Section twenty-six (26), said township; thence southerly to the south-east corner of Section thirty-five (35), said township; thence westerly to the north-west corner of Section eleven (11), fractional Township thirty-eight (38) North, Range one (1) East; thence southerly to the north-west corner of Section thirty-five (35), said township; thence easterly to the north-east corner of said section; thence southerly to the south-east corner of said section; thence easterly to the north-east corner of Township thirty-seven (37) North, Range one (1) East; thence southerly to the south-west corner of Township thirty-eight (38) North, Range two (2) East; thence easterly to the north-east corner of Section eight (8), fractional Township thirty-seven (37) North, Range two (2) East; thence southerly to the north-west corner of Section twenty-one (21), said township; thence easterly to the north-east corner of said section; thence southerly to the south-east corner of said section; thence easterly to the north-east corner of Section twenty-six (26), said township; thence southerly to the south-east corner of Section thirty-five (35), said township; thence westerly to the north-west corner of Section one (1), Township thirty-six (36) North, Range two (2) East; thence southerly to the south-east corner of Section eleven (11), said township; thence westerly to the north-east corner of Section sixteen (16), said township; thence southerly to the south-east corner of said section; thence westerly to the south-west corner of said section; thence southerly to the north-east corner of Section twenty-nine (29), said township; thence westerly to the north-west corner of said section; thence southerly to the south-west corner of said section; thence westerly, allowing for the offset on the range line, to the north-west corner of Section thirty-six (36), Township thirty-six (36) North, Range one (1) East; thence southerly to the south-east corner of Section thirty-five (35), said township; thence westerly to the south-west corner of Section thirty-four (34), said township; thence northerly to the north-east corner of Section thirty-three (33), Township thirty-seven (37) North, Range one (1) East; thence westerly to the north-west corner of said section; thence northerly to the south-west corner of Section sixteen (16), said township; thence easterly to the south-east corner of said section; thence northerly to the north-east corner of said section; thence westerly to the north-east corner of Section fourteen (14), Township thirty-seven (37) North, Range one (1) West; thence southerly to the south-east corner of said section; thence westerly to the south-west corner of said section; thence southerly to the south-east corner of Section thirty-four (34), said township; thence westerly to the north-west corner of Section three (3), Township thirty-six (36) North, Range one (1) West; thence southerly to the south-east corner of Section nine (9), said township; thence westerly to the south-west corner of said section; thence southerly, allowing for the offset on the Seventh (7th) Standard Parallel North, to the north-west corner of Section nine (9), Township thirty-five (35) North, Range one (1) West; thence easterly to the north-east corner of said section; thence southerly to the south-east corner of said section; thence westerly to the south-west corner of said section; thence southerly to the south-west corner of Section sixteen (16), said township; thence easterly to the south-east corner of said section; thence southerly to the south-west corner of Section thirty-four (34), said township; thence easterly to the north-east corner of Section three (3), Township thirty-four (34) North, Range one (1) West; thence southerly to the south-east corner of Section ten (10), said township; thence westerly to the north-west corner of Section sixteen (16), said township; thence southerly to the south-east corner of Section twenty (20), said township; thence westerly to the south-west corner of Section nineteen (19), Township thirty-four (34) North, Range two (2) West; thence northerly to the north-east corner of Section thirty-six (36), Township thirty-five (35) North, Range three (3) West; thence westerly to the north-west corner of said section; thence southerly to the south-west corner of said section; thence westerly to the south-west corner of Section thirty-three (33), said township; thence northerly to the south-west corner of Section sixteen (16), said township; thence easterly to the south-east corner of said section; thence northerly to the north-east corner of said section; thence westerly to the north-west corner of said section; thence northerly to the north-east corner of Section five (5), said township; thence westerly to the south-east corner of Township thirty-six (36) North, Range four (4) West; thence northerly to the north-east corner of Section twelve (12), said township; thence westerly to the south-west corner of Section six (6), said township; thence northerly to the north-west corner of Section thirty (30), Township thirty-seven (37) North, Range four (4) West; thence easterly to the south-east corner of Section twenty-one (21), said township; thence northerly to the north-west corner of Section thirty-four (34), Township thirty-eight (38) North, Range four (4) West; thence easterly to the south-east corner of Section twenty-seven (27), said township; thence northerly to the north-west corner of Section twenty-three (23), said township; thence easterly to the south-east corner of Section thirteen (13), said township; thence northerly to the south-west corner of Section six (6), Township thirty-eight (38) North, Range three (3) West; thence easterly to the south-east corner of said section; thence northerly to the north-east corner of said section; thence easterly to the south-east corner of Section thirty-one (31), Township thirty-nine (39) North, Range one (1) West; thence northerly to the north-west corner of Section twenty-nine (29), said township, the place of beginning;

Such of the above-named corners as have not been established by the official surveys being intended to be located at the points where such corners would fall in projecting the surveys in the directions indicated without allowing for any irregularities which may occur in actually extending the surveys;

Excepting from the force and effect of this proclamation all lands which may have been, prior to the date hereof, embraced in any legal entry or covered by any lawful filing duly of record in the proper United States Land Office, or upon which any valid settlement has been made pursuant to law, and the statutory period within which to make entry or filing of record has not expired; *Provided,* that this exception shall not continue to apply to any particular tract of land unless the entryman, settler or claimant continues to comply with the law under which the entry, filing or settlement was made.

Warning is hereby expressly given to all persons not to make settlement upon the lands reserved by this proclamation.

The reservation hereby established shall be known as the Shasta Forest Reserve.

In witness whereof, I have hereunto set my hand and caused the seal of the United States to be affixed.

[SEAL.] DONE at the City of Washington this 3d day of October, in the year of our Lord one thousand nine hundred and five, and of the Independence of the United States the one hundred and thirtieth.

THEODORE ROOSEVELT.

By the President:
ELIHU ROOT,
Secretary of State.

BY THE PRESIDENT OF THE UNITED STATES OF AMERICA.

A PROCLAMATION.

Whereas, The Madison Forest Reserve, in the State of Montana, was established by proclamation dated August sixteenth, nineteen hundred and two, under and by virtue of section twenty-four of the Act of Congress, approved March third, eighteen hundred and ninety-one, entitled, "An act to repeal timber-culture laws, and for other purposes", which provides, "That the President of the United States may, from time to time, set apart and reserve, in any State or Territory having public land bearing forests, in any part of the public lands wholly or in part covered with timber or undergrowth, whether of commercial value or not, as public reservations, and the President shall, by public proclamation, declare the establishment of such reservations and the limits thereof";

And whereas, it is further provided by the Act of Congress, approved June fourth, eighteen hundred and ninety-seven, entitled, "An act making appropriations for sundry civil expenses of the Government for the fiscal year ending June thirtieth, eighteen hundred and ninety-eight, and for other purposes," that "the President is hereby authorized at any time to modify any Executive order that has been or may hereafter be made establishing any forest reserve, and by such modification may reduce the area or change the boundary lines of such reserve, or may vacate altogether any order creating such reserve", under which provision the boundary lines of the said forest reserve were changed and the area thereof reduced by proclamation dated March twenty-eighth, nineteen hundred and five;

And whereas, it appears that the public good would be promoted by including within the said forest reserve certain additional lands, within the State of Montana, which are in part covered with timber;

Now, therefore, I, THEODORE ROOSEVELT, President of the United States, by virtue of the power vested in me by the aforesaid act of Congress, approved June fourth, eighteen hundred and ninety-seven, do hereby make known and proclaim that the boundary lines of the aforesaid Madison Forest Reserve are hereby so changed and enlarged as to read as follows:

Beginning at the point where the western boundary of the Yellowstone National Park intersects the boundary line between the States of Montana and Idaho; thence in a general north-westerly and south-westerly direction along said state boundary line to its intersection with the range line between Ranges one (1) and two (2) East; thence northerly to the south-east corner of Township thirteen (13) South, Range one (1) East; thence westerly to the south-west corner of said township; thence northerly to the south-east corner of Township twelve (12) South, Range one (1) West; thence westerly to the south-east corner of Township twelve (12) South, Range six (6) West; thence northerly to the north-east corner of said township; thence easterly to the north-east corner of Township twelve (12) South, Range five (5) West; thence northerly, allowing for the proper offset on the Second (2nd) Standard Parallel South, to the north-west corner of Township ten (10) South, Range four (4) West; thence easterly to the south-east corner of Section thirty-three (33), Township nine (9) South, Range four (4) West; thence northerly to the north-west corner of Section fifteen (15), said township; thence easterly to the south-east corner of Section twelve (12), said township; thence northerly to the north-west corner of Section thirty (30), Township seven (7) South, Range three (3) West; thence easterly to the north-east corner of Section twenty-seven (27), said township; thence southerly to the south-east corner of said section; thence easterly to the north-east corner of Section thirty-six (36), said township; thence southerly to the south-east corner of said township; thence easterly to the north-west corner of Township eight (8) South, Range one (1) West; thence southerly to the south-west corner of said township; thence easterly to the south-east corner of said township; thence southerly along the Principal Meridian to its intersection with the Second (2nd) Standard Parallel South; thence easterly along said parallel to its intersection with the western boundary of the Yellowstone National Park; thence southerly along the western boundary of said park to its intersection with the boundary line between the States of Montana and Idaho, the place of beginning;

And further beginning at the north-west corner of Section twenty-six (26), Township one (1) South, Range three (3) West, Principal Meridian, Montana; thence easterly to the north-east corner of said section; thence southerly to the south-east corner of Section thirty-five (35), said township; thence westerly to the north-west corner of Section three (3), Township two (2) South, Range three (3) West; thence southerly to the south-west corner of Section twenty-two (22), said township; thence easterly to the north-east corner of Section twenty-five (25), said township; thence southerly to the south-west corner of Township two (2) South, Range two (2) West; thence easterly to the north-east corner of Section four (4), Township three (3) South, Range two (2) West; thence southerly to the south-east corner of Section nine (9), Township five (5) South, Range two (2) West; thence westerly to the south-west corner of Section seven (7), Township five (5) South, Range three (3) West; thence northerly to the north-east corner of Township five (5) South, Range four (4) West; thence westerly to the south-west corner of Section thirty-four (34), Township four (4) South, Range four (4) West; thence northerly to the north-east corner of Section sixteen (16), said township; thence westerly to the south-west corner of Section nine (9), said township; thence northerly to the north-east corner of Section five (5), said township; thence westerly to the south-west corner of Section thirty-four (34), Township three (3) South, Range five (5) West; thence northerly to the north-west corner of Section twenty-two (22), said township; thence easterly to the south-east corner of Section fifteen (15), said township; thence northerly to the north-west corner of Section two (2), said township; thence easterly to the south-east corner of Section thirty-five (35), Township two (2) South, Range five (5) West; thence northerly to the north-west corner of Section twenty-four (24), said township; thence easterly to the south-east corner of Section thirteen (13), said township; thence northerly to the north-west corner of Section eighteen (18), Township two (2) South, Range four (4) West; thence easterly to the south-east corner of Section seven (7), said township; thence northerly to the north-west corner of Section twenty (20), Township one (1) South, Range four (4)

West; thence easterly to the south-east corner of Section seventeen (17), said township; thence northerly to the north-west corner of Section nine (9), said township; thence easterly to the north-east corner of Section eight (8), Township one (1) South, Range three (3) West; thence southerly to the south-west corner of Section twenty-eight (28), said township; thence easterly to the south-west corner of Section twenty-six (26), said township; thence northerly to the north-west corner of said section, the place of beginning;

Such of the above-named corners as have not been established by the official surveys being intended to be located at the points where such corners would fall in projecting the surveys in the directions indicated without allowing for any irregularities which may occur in actually extending the surveys;

Excepting from the force and effect of this proclamation all lands which may have been, prior to the date hereof, embraced in any legal entry or covered by any lawful filing duly of record in the proper United States Land Office, or upon which any valid settlement has been made pursuant to law, and the statutory period within which to make entry or filing of record has not expired: *Provided,* that this exception shall not continue to apply to any particular tract of land unless the entryman, settler or claimant continues to comply with the law under which the entry, filing or settlement was made.

Warning is hereby expressly given to all persons not to make settlement upon the lands reserved by this proclamation.

In witness whereof, I have hereunto set my hand and caused the seal of the United States to be affixed.

[SEAL.] DONE at the City of Washington this 3d day of October, in the year of our Lord one thousand nine hundred and five, and of the Independence of the United States the one hundred and thirtieth.

THEODORE ROOSEVELT.

By the President:

ELIHU ROOT,

Secretary of State.

BY THE PRESIDENT OF THE UNITED STATES OF AMERICA.

A PROCLAMATION.

Whereas, it is provided by section twenty-four of the Act of Congress, approved March third, eighteen hundred and ninety-one, entitled, "And act to repeal timber-culture laws, and for other purposes", "That the President of the United States may, from time to time, set apart and reserve, in any State or Territory having public land bearing forests, in any part of the public lands wholly or in part covered with timber or undergrowth, whether of commercial value or not, as public reservations, and the President shall, by public proclamation, declare the establishment of such reservations and the limits thereof";

And whereas, the public lands in the State of Montana, within the limits hereinafter described, are in part covered with timber, and it appears that the public good would be promoted by setting apart and reserving said lands as a public reservation;

Now, therefore, I, THEODORE ROOSEVELT, President of the United States, by virtue of the power in me vested by section twenty-four of the aforesaid Act of Congress, do hereby make known and proclaim that there are hereby reserved from entry or settlement and set apart as a Public Reservation all those certain tracts, pieces or parcels of land lying and being situate in the State of Montana.

Excepting from the force and effect of this proclamation all lands which may have been, prior to the date hereof, embraced in any legal entry or covered by any lawful filing duly of record in the proper United States Land Office or upon which any valid settlement has been made pursuant to law, and the statutory period within which to make entry or filing of record has not expired: *Provided*, that this exception shall not continue to apply to any particular tract of land unless the entryman, settler or claimant continues to comply with the law under which the entry, filing or settlement was made.

Warning is hereby expressly given to all persons not to make settlement upon the lands reserved by this proclamation.

The reservation hereby established shall be known as the Hell Gate Forest Reserve.

In witness whereof, I have hereunto set my hand and caused the seal of the United States to be affixed.

[SEAL.] DONE at the City of Washington this 3d day of October, in the year of our Lord one thousand nine hundred and five, and of the Independence of the United States the one hundred and thirtieth.

THEODORE ROOSEVELT.

By the President:

ELIHU ROOT,
Secretary of State.

THE LAST PHOTOGRAPH OF GROVER CLEVELAND

LAST PHOTOGRAPH OF GROVER CLEVELAND

No testimony to the value of the life that Grover Cleveland devoted to his country is more sincere than this paragraph from Roosevelt's proclamation of June 24, 1908 (found on page 7339):

"Grover Cleveland, President of the United States from 1885 to 1889 and again from 1893 to 1897, died at 8:40 o'clock this morning at his home in Princeton, N. J. In his death the Nation has been deprived of one of its greatest citizens. By profession a lawyer, his chief services to his country were rendered during his long, varied and honorable career in public life. As Mayor of his city, as Governor of his State, and twice as President, he showed signal power as an administrator, coupled with entire devotion to the country's good and the courage that quailed before no hostility when once he was convinced where his duty lay. Since his retirement from the Presidency he has continued well and faithfully to serve his countrymen by the simplicity, dignity and uprightness of his private life."

The story of Cleveland's Administrations is briefly told in the article entitled "Cleveland, Grover," in the encyclopedic index (volume eleven).

BY THE PRESIDENT OF THE UNITED STATES.

A PROCLAMATION.

ANNOUNCING DEATH OF EX-PRESIDENT GROVER CLEVELAND.

THE WHITE HOUSE, *June 24, 1908.*

To the People of the United States:

Grover Cleveland, President of the United States from 1885 to 1889 and again from 1893 to 1897, died at 8:40 o'clock this morning at his home in Princeton, New Jersey. In his death, the Nation has been deprived of one of its greatest citizens. By profession a lawyer, his chief services to his country were rendered during his long, varied and honorable career in public life. As Mayor of his city, as Governor of his State, and twice as President, he showed signal power as an administrator, coupled with entire devotion to the country's good and the courage that quailed before no hostility when once he was convinced where his duty lay. Since his retirement from the Presidency he has continued well and faithfully to serve his countrymen by the simplicity, dignity and uprightness of his private life.

In testimony of the respect in which his memory is held by the government and people of the United States, I do hereby direct that the flags on the White House and the several departmental buildings be displayed at half-staff for a period of thirty days; and that suitable military and naval honors, under the orders of the Secretaries of War and of the Navy, be rendered on the day of the funeral.

Done this twenty-fourth day of June in the year of our Lord one thousand nine hundred and eight and of the Independence of the United States of America the one hundred and thirty-second.

[SEAL.]

THEODORE ROOSEVELT.

By the President:

ALVEY A. ADEE, *Acting Secretary of State.*

BY THE PRESIDENT OF THE UNITED STATES OF AMERICA.

A PROCLAMATION.

RECIPROCITY WITH THE NETHERLANDS.

Whereas, the Government of the Netherlands has entered into a Commercial Agreement with the United States in conformity with the provisions of the third section of the Tariff Act of the United States, approved July 24, 1897, by which Agreement in the judgment of the President reciprocal and equivalent concessions are secured in favor of the products of the United States;

Therefore, be it known that I, Theodore Roosevelt, President of the United States of America, acting under the authority conferred by said Act of Congress, do hereby suspend during the continuance in force of said Agreement the imposition and collection of the duties imposed by the first Section of said Act upon the articles hereinafter specified, being the products of the industry of the Netherlands; and do declare in place thereof the rates of duty provided in the third Section of said Act to be in force and effect from and after the date of this, my Proclamation, as follows:

Brandies, or other spirits manufactured or distilled from grain or other materials, one dollar and seventy-five cents per proof gallon.

In testimony whereof, I have hereunto set my hand and caused the seal of the United States to be affixed.

Done at the city of Washington this twelfth day of August, in the year of our Lord one thousand nine hundred and eight, and of the Independence of the United States of America the one hundred and thirty-third.

[SEAL.]

THEODORE ROOSEVELT.

By the President:

ALVEY A. ADEE, *Acting Secretary of State.*

The President of the United States and Her Majesty the Queen of the Netherlands, mutually desiring by means of a Commercial Agreement to facilitate the commercial intercourse between the two countries, have appointed for that purpose their respective plenipotentiaries, namely:

The President of the United States of America, Elihu Root, Secretary of State of the United States; and

Her Majesty the Queen of the Netherlands, Jonkheer R. de Marees van Swinderen, Her Majesty's Envoy Extraordinary and Minister Plenipotentiary to the United States;

Who, having exchanged their respective full powers, which were found to be in good and due form, have agreed upon and concluded the following articles:

ARTICLE I.

It is agreed on the part of the United States, pursuant to and in accordance with the provisions of the third section of the Tariff Act of the United States, approved July 24, 1897, and in consideration of the concessions hereinafter made on the part of the Netherlands in favor of the products of the soil and industry of the United States, that brandies, or other spirits manufactured or distilled from grain or other materials, products of the industry of the Netherlands imported into the United States, shall, from and after the date when this Agreement shall be put in force, be subject to the reduced tariff duty provided by said Section 3, namely, one dollar and seventy-five cents per proof gallon.

ARTICLE II.

Reciprocally and in consideration of the preceding concession, the Royal Government of the Netherlands agrees that, during the continuance in force of this Agreement, the duties imposed upon the following named products of the industry of the United States imported into the Netherlands shall not exceed the tariff rates hereinafter specified, viz.:

Upon mutton, salt pork, and salted bacon, 0.75 florin per 100 kilograms.

Upon mutton, salt pork, and salted bacon, when smoked or dried, 1 florin per 100 kilograms.

ARTICLE III.

The Royal Government of the Netherlands further guarantees to continue to admit into the Netherlands during the aforesaid period canned meats manufactured in the United States in packages weighing more than four pounds (English) at the rates of duty hitherto levied, namely: one, six, and eight florins per one hundred kilograms, according to quality and the distinctions made in the Tariff of the Netherlands respecting meats, although entitled under strict application of the law to levy upon such canned meats a duty of twenty-five florins per one hundred kilograms.

ARTICLE IV.

It is mutually agreed by the High Contracting Parties that in the event that the Royal Government of the Netherlands shall, at any time during the continuance in force of this Agreement, withdraw from any product of the soil or industry of the United States imported into the Netherlands the benefit of the lowest tariff rates imposed by the Netherlands upon a like product of any other origin, either Party shall thereupon have the right to terminate this Agreement upon giving to the other three months' prior notice of its intention to do so.

ARTICLE V.

It is further agreed on the part of the United States that the instructions to the Customs Officers set forth in the annexed diplomatic note and made a part of the consideration of this Agreement shall go into effect not later than July 1, 1907.

ARTICLE VI.

This Agreement shall be ratified by the Royal Government of the Netherlands as soon as possible, and upon official notice thereof the President of the United States shall issue his proclamation giving full effect to the provisions of Article I of this Agreement. From and after the date of such proclamation this Agreement shall be in full force and effect, and shall continue in force until one year from the date when either Party shall notify the other of its intention to terminate the same.

Done in duplicate in the English and Dutch languages, at Washington this 16th day of May, one thousand nine hundred and seven.

ELIHU ROOT [SEAL.]
R. DE MAREES VAN SWINDEREN [SEAL.]

DEPARTMENT OF STATE,
Washington, May 16, 1907.

SIR: Referring to the Commercial Agreement signed this day between the Government of the Netherlands and the Government of the United States, I have the honor to inform you that instructions will be issued to the Customs Officers of the United States to the following effect:—

> "Market value as defined by section 19 of the Customs Administrative Act shall be construed to mean the export price whenever goods, wares, and merchandise are sold wholly for export, or sold in the home market only in limited quantities, by reason of which facts there can not be established a market value based upon the sale of such goods, wares, and merchandise in usual wholesale quantities, packed ready for shipment to the United States."

These instructions shall take effect not later than July 1, 1907, and shall remain in force thereafter for the term of the aforesaid Agreement. In pursuance thereof the export price of Maastricht pottery imported into the United States from the Netherlands under the conditions described in your Note of March 23, 1907, shall be accepted by the customs officers of the United States as the true market value of the aforesaid articles of merchandise.

Receive, Mr. Minister, the renewed assurance of my highest consideration.
ELIHU ROOT.

JONKHEER R. DE MAREES VAN SWINDEREN,
Minister of the Netherlands.

BY THE PRESIDENT OF THE UNITED STATES OF AMERICA.

THANKSGIVING PROCLAMATION.

Once again the season is at hand when, according to the ancient custom of our people, it becomes the duty of the President to appoint a day of prayer and of thanksgiving to God.

Year by year this Nation grows in strength and worldly power. During the century and a quarter that has elapsed since our entry into the circle of independent peoples we have grown and prospered in material things to a degree never known before, and not now known in any other country. The thirteen colonies which straggled along the seacoast of the Atlantic and were hemmed-in but a few miles west of tidewater by the Indian haunted wilderness, have been transformed into the mightiest republic which the world has ever seen. Its domains stretch across the continent from one to the other of the two greatest oceans, and it exercises dominion alike in the arctic and tropic realms. The growth in wealth and population has surpassed even the growth in territory. Nowhere else in the world is the average of individual comfort and material well-being as high as in our fortunate land.

For the very reason that in material well-being we have thus abounded, we owe it to the Almighty to show equal progress in moral and spiritual things. With a nation, as with the individuals who make up a nation, material well-being is an indispensable foundation. But the foundation avails nothing by itself. That life is wasted, and worse than wasted, which is spent in piling, heap upon heap, those things which minister merely to the pleasure of the body and to the power that rests only on wealth. Upon material well-being as a foundation must be raised the structure of the lofty life of the spirit, if this Nation is properly to fulfil its great mission and to accomplish all that we so ardently hope and desire. The things of the body are good; the things of the intellect better; the best of all are the things of the soul; for, in the nation as in the individual, in the long run it is character that counts. Let us, therefore, as a people set our faces resolutely against evil, and with broad charity, with kindliness and good-will toward all men, but with unflinching determination to smite down wrong, strive with all the strength that is given us for righteousness in public and in private life.

Now, therefore, I, Theodore Roosevelt, President of the United States, do set apart Thursday, the 26th day of November, next, as a day of general thanksgiving and prayer, and on that day I recommend that the people shall cease from their daily work, and, in their homes or in their churches, meet devoutly to thank the Almighty for the many and great blessings they have received in the past, and to pray that they may be given the strength so to order their lives as to deserve a continuation of these blessings in the future.

In witness whereof, I have hereunto set my hand and caused the seal of the United States to be affixed.

Done at the city of Washington this thirty-first day of October in the year of our Lord one thousand nine hundred and eight, and of the Independence of the United States the one hundred and thirty-third.

[SEAL.]

THEODORE ROOSEVELT.

By the President:

ALVEY A. ADEE, *Acting Secretary of State.*

BY THE PRESIDENT OF THE UNITED STATES OF AMERICA.

A PROCLAMATION.

CENTENNIAL ANNIVERSARY OF BIRTH OF ABRAHAM LINCOLN.

Whereas, by Joint Resolution of Congress it is provided "That the twelfth day of February, nineteen hundred and nine, the same being the centennial anniversary of the birth of Abraham Lincoln, be and the same is hereby, made a special legal holiday in the District of Columbia and the Territories of the United States";

And, whereas, by the said Joint Resolution the President is authorized to issue a proclamation in accordance with the foregoing, setting apart the twelfth day of February, nineteen hundred and nine, as a special legal holiday;

Now, therefore, I, Theodore Roosevelt, President of the United States of America, in virtue of the authority conferred upon me by the said Joint Resolution, do hereby set apart the twelfth day of February, nineteen hundred and nine, as a special legal holiday.

In witness whereof, I have hereunto set my hand and caused the seal of the United States to be affixed.

Done at the city of Washington this eleventh day of February in the year of our Lord one thousand nine hundred and nine, [SEAL.] and of the Independence of the United States the one hundred and thirty-third.

THEODORE ROOSEVELT.

By the President:

ROBERT BACON, *Secretary of State.*

BY THE PRESIDENT OF THE UNITED STATES OF AMERICA.

A PROCLAMATION.

RECIPROCITY WITH SPAIN.

Whereas, the Government of the United States of America and the Government of Spain have, by an exchange of notes at Washington on February 20, 1909, agreed to supplement the Commercial Agreement which they concluded at San Sebastion on August 1, 1906, to the end that sparkling wines produced in and exported from Spain may be admitted on their importation into the United States at the reduced rates authorized by Section 3 of the United States Tariff Act of July 24, 1897, which action, in the judgment of the President, is compensated by reciprocal and equivalent concessions on the part of Spain in favor of the products of the soil or industry of the United States;

Now, therefore, be it known that I, Theodore Roosevelt, President of the United States of America, acting under the authority conferred by the third section of said Tariff Act, do hereby suspend, during the continuance in force of the said Commercial Agreement of August 1, 1906, the imposition and collection of the duties imposed by the first section of said Act upon the articles hereinafter specified, being the products of the soil or industry of Spain; and do declare in place thereof the following rates of duty provided in the third section of said Act to be in force and effect from and after the date of this, my Proclamation, as follows:

On all sparkling wines, in bottles containing not more than one quart and more than one pint, six dollars per dozen; containing not more than one pint each and more than one-half pint, three dollars per dozen; containing one-half pint each or less, one dollar and fifty cents per dozen; in bottles or other vessels containing more than one quart each, in addition to six dollars per dozen bottles on the quantities in excess of one quart, at the rate of one dollar and ninety cents per gallon.

In testimony whereof, I have hereunto set my hand and caused the seal of the United States to be affixed.

Done at the city of Washington this twentieth day of February, in the year of our Lord one thousand nine hundred and nine, and of the Independence of the United States of America the one hundred and thirty-third.

[SEAL.]

THEODORE ROOSEVELT.

By the President:

ROBERT BACON, *Secretary of State.*

BY THE PRESIDENT OF THE UNITED STATES OF AMERICA.

SPECIAL SESSION PROCLAMATION.

SPECIAL SESSION OF SENATE TO BE CONVENED MARCH 4, 1909.

Whereas, public interests require that the Senate of the United States be convened at 12 o'clock on the 4th day of March next to receive such communications as may be made by the Executive;

Now, therefore, I, Theodore Roosevelt, President of the United States of America, do hereby proclaim and declare that an extraordinary occasion requires the Senate of the United States to convene at the Capitol, in the city of Washington, on the 4th day of March next, at 12 o'clock noon, of which all persons who shall at that time be entitled to act as members of that body are hereby required to take notice.

Given under my hand and the seal of the United States at Wash-

[SEAL.] ington, the 27th day of February in the year of our Lord 1909, and of the Independence of the United States the one hundred and thirty-third.

THEODORE ROOSEVELT.

By the President:

ROBERT BACON, *Secretary of State.*

BY THE PRESIDENT OF THE UNITED STATES OF AMERICA.

A PROCLAMATION.

Whereas, it is provided by section twenty-four of the Act of Congress, approved March third, eighteen hundred and ninety-one, entitled, "An act to repeal timber-culture laws, and for other purposes", "That the President of the United States may, from time to time, set apart and reserve, in any State or Territory having public land bearing forests, in any part of the public lands wholly or in part covered with timber or undergrowth, whether of commercial value or not, as public reservations, and the President shall, by public proclamation, declare the establishment of such reservations and the limits thereof";

And whereas, the public lands, in the Territory of New Mexico, which are hereinafter indicated, are in part covered with timber, and it appears that the public good would be promoted by setting apart said lands as a public reservation;

Now, therefore, I, THEODORE ROOSEVELT, President of the United States of America, by virtue of the power in me vested by section twenty-four of the aforesaid Act of Congress, do proclaim that there are hereby reserved from entry or settlement and set apart as a Public Reservation, for the use and benefit of the people, all the tracts of land, in the Territory of New Mexico, shown as the Jemez Forest Reserve on the diagram forming a part hereof:

Excepting from the force and effect of this proclamation all lands which may have been, prior to the date hereof, embraced in any legal entry or covered by any lawful filing duly of record in the proper United States Land Office, or upon which any valid settlement has been made pursuant to law, and the statutory period within which to make entry or filing of record has not expired: *Provided,* that this exception shall not continue to apply to any particular tract of land unless the entryman, settler or claimant continues to comply with the law under which the entry, filing or settlement was made.

Warning is hereby expressly given to all persons not to make settlement upon the lands reserved by this proclamation.

In witness whereof, I have hereunto set my hand and caused the seal of the United States to be affixed.

Done at the City of Washington this 12th day of October, [SEAL.] in the year of our Lord one thousand nine hundred and five, and of the Independence of the United States the one hundred and thirtieth.

THEODORE ROOSEVELT.

By the President:

Elihu Root,

Secretary of State.

By the President of the United States of America.

A PROCLAMATION.

Whereas by a Joint Resolution, approved April 22, 1898, entitled "Joint Resolution to prohibit the export of coal or other material used in war from any sea-port of the United States", the President is "authorized, in his discretion, and with such limitations and exceptions as shall deem to him expedient, to prohibit the export of coal or other material used in war from any sea-port of the United States until otherwise ordered by the President or by Congress;"

Now, therefore, I, Theodore Roosevelt, President of the United States of America, for good and sufficient reasons unto me appearing, and by virtue of the authority conferred upon me by the said Joint Resolution, do hereby declare and proclaim that the export of arms, ammunition and munitions of war of every kind, from any port in the United States or in Porto Rico to any port in the Dominican Republic, is prohibited, without limitation or exception, from and after the date of this my proclamation until otherwise ordered by the President or by Congress.

And I do hereby enjoin all good citizens of the United States and of Porto Rico and all persons residing or being within the territory or jurisdiction thereof to be governed accordingly.

In witness whereof, I have hereunto set my hand and caused the seal of the United States to be affixed.

Done at the City of Washington this 14th day of October [SEAL.] in the year of our Lord one thousand nine hundred and five and of the Independence of the United States of America the one hundred and thirtieth.

THEODORE ROOSEVELT.

By the President:

Elihu Root,

Secretary of State.

BY THE PRESIDENT OF THE UNITED STATES OF AMERICA.

A PROCLAMATION.

When nearly three centuries ago the first settlers came to the country which has now become this great Republic, they fronted not only hardship and privation, but terrible risk to their lives. In those grim years the custom grew of setting apart one day in each year for a special service of thanksgiving to the Almighty for preserving the people through the changing seasons. The custom has now become national and hallowed by immemorial usage. We live in easier and more plentiful times than our forefathers, the men who with rugged strength faced the rugged days; and yet the dangers to national life are quite as great now as at any previous time in our history. It is eminently fitting that once a year our people should set apart a day for praise and thanksgiving to the Giver of Good, and, at the same time that they express their thankfulness for the abundant mercies received, should manfully acknowledge their shortcomings and pledge themselves solemnly and in good faith to strive to overcome them. During the past year we have been blessed with bountiful crops. Our business prosperity has been great. No other people has ever stood on as high a level of material well-being as ours now stands. We are not threatened by foes from without. The foes from whom we should pray to be delivered are our own passions, appetites, and follies; and against these there is always need that we should war.

Therefore, I now set apart Thursday, the thirtieth day of this November, as a day of thanksgiving for the past and of prayer for the future, and on that day I ask that throughout the land the people gather in their homes and places of worship, and in rendering thanks unto the Most High for the manifold blessings of the past year, consecrate themselves to a life of cleanliness, honor and wisdom, so that this nation may do its allotted work on the earth in a manner worthy of those who founded it and of those who preserved it.

In witness whereof, I have hereunto set my hand and caused the seal of the United States to be affixed.

DONE at the City of Washington this 2nd day of November in the year of our Lord one thousand nine hundred and five and of the Independence of the United States the one hundred and thirtieth.

[SEAL.]

THEODORE ROOSEVELT.

By the President:

ELIHU ROOT,

Secretary of State.

BY THE PRESIDENT OF THE UNITED STATES OF AMERICA.

A PROCLAMATION.

Whereas, it is provided by section twenty-four of the Act of Congress, approved March third, eighteen hundred and ninety-one, entitled, "An act to repeal timber-culture laws, and for other purposes", "That the President of the United States may, from time to time, set apart and reserve, in any State or Territory having public land bearing forests, in any part of the public lands wholly or in part covered with timber or undergrowth, whether of commercial value or not, as public reservations, and the President shall, by public proclamation, declare the establishment of such reservations and the limits thereof";

And whereas, the public lands, in the State of California, which are hereinafter indicated, are in part covered with timber, and it appears that the public good would be promoted by setting apart said lands as a public reservation;

Now, therefore, I, THEODORE ROOSEVELT, President of the United States of America, by virtue of the power in me vested by section twenty-four of the aforesaid Act of Congress, do proclaim that there are hereby reserved from entry or settlement and set apart as a Public Reservation, for the use and benefit of the people, all the tracts of land, in the State of California, shown as the Yuba Forest Reserve on the diagram forming a part hereof;

Excepting from the force and effect of this proclamation all lands which may have been, prior to the date hereof, embraced in any legal entry or covered by any lawful filing duly of record in the proper United States Land Office, or upon which any valid settlement has been made pursuant to law, and the statutory period within which to make entry or filing of record has not expired: *Provided*, that this exception shall not continue to apply to any particular tract of land unless the entryman, settler or claimant continues to comply with the law under which the entry, filing or settlement was made.

Warning is hereby expressly given to all persons not to make settlement upon the lands reserved by this proclamation.

In witness whereof, I have hereunto set my hand and caused the seal of the United States to be affixed.

[SEAL.] DONE at the City of Washington this 11th day of November, in the year of our Lord one thousand nine hundred and five, and of the Independence of the United States the one hundred and thirtieth.

THEODORE ROOSEVELT.

By the President:
ELIHU ROOT,
Secretary of State.

EXECUTIVE ORDERS.

WHITE HOUSE, *January 4, 1905.*

Mrs. Evelyn M. Ford may be reinstated to the position of clerk in the office of the Secretary of War without regard to the provisions of Rule IX limiting the period of eligibility to one year from the date of separation.

THEODORE ROOSEVELT.

WHITE HOUSE, *January 9, 1905.*

Mrs. Elizabeth C. Peters may be reinstated to the position of sewer in the Government Printing Office without regard to the provision of Rule IX limiting the period of eligibility for reinstatements to one year from the date of separation.

THEODORE ROOSEVELT.

WHITE HOUSE, *January 27, 1905.*

The appointment of Mr. E. W. Libbey as telegraph and telephone operator, at $1,000 per annum, in the Department of Commerce and Labor, on July 13, 1903, is approved, and he may be continued in the service without examination under the Civil-Service rules.

THEODORE ROOSEVELT.

WHITE HOUSE, *June 29, 1905.*

Mrs. Edna K. Hoyt, who is temporarily employed as clerk in the Department of State, may be permanently appointed, without examination under the civil-service rules, with a salary at the rate of $1,200 per annum.

(NOTE) Done at the request of Secretary Hay, who says she is now the best clerk of her class that he has.

THEODORE ROOSEVELT.

WHITE HOUSE, *July 25, 1905.*

Mrs. McLanaham, after twelve years' service, was separated from the position of sewer in the Government Printing Office prior to her marriage in 1894. In June, 1903, she was left a widow with three children to support. In view of her unfortunate circumstances and previous efficient service attested by the Public Printer, the Commission recommended to the President a special order waiving the rule requiring reinstatement within one year, which was approved by the President July 25, 1903.

THEODORE ROOSEVELT.

WHITE HOUSE, *August 26, 1905.*

The requirement that a person proposed for transfer must have actually served in the classified service at least six months next preceding the transfer may be waived in the case of the transfer of W. E. Lackland from the Treasury Department to the Post-Office at Prescott, Arizona.

THEODORE ROOSEVELT.

WHITE HOUSE, *August 31, 1905.*

It is ordered that each member of the advisory board of engineers upon plans of the Panama Canal shall be allowed $5,000, payable upon the completion of the report of the board. In addition thereto he shall, when on duty with the board, be allowed $15 per day for personal expenses from the date of leaving his home until his return thereto, including Sundays and Holidays. He shall also be allowed the actual cost of transportation incurred by him in travel on duty in connection with the board to include cost of ticket by railway or steamer, sleeper or parlor car accommodations, baggage transportation, cabs and porterage.

It is further ordered that the allowance of $5,000 to Gen. Davis and Gen. Abbott shall be increased by the amount of their retired pay for the time during which they are employed upon the work of the board, it being my intention that these members of the board shall receive the same compensation for this work as the other members, and this increase being made to provide for the usual reduction of retired officers' pay.

THEODORE ROOSEVELT.

WHITE HOUSE, *October 13, 1905.*

No officer or employee of the government shall, directly or indirectly, instruct or be concerned in any manner in the instruction of any person, or classes of persons, with a view to their special preparation for the examination of the United States Civil Service Commission. The fact that any officer or employee is found so engaged shall be considered sufficient cause for his removal from the service.

THEODORE ROOSEVELT.

WHITE HOUSE, *October 17, 1905.*

When the President or head of an executive department is satisfied that an officer or employee in the classified service is inefficient or incapable, and that the public service will be materially improved by his removal, such removal will be made without hearing, but the cause of removal shall be stated in writing and filed. When misconduct is committed in the view and presence of the President or head of an executive department, removal may be made summarily and without notice.

THEODORE ROOSEVELT.

WHITE HOUSE, *November 17, 1905.*

Civil service rule No. 12 is hereby amended to read as follows, concerning removals:

"1. In making removals or reductions, and in other punishment, penalties like in character shall be imposed for like offenses.

"2. No person shall be removed from a competitive position except for such cause as will promote the efficiency of the service. When the President or head of an executive department is satisfied that an officer or employe in the classified service is inefficient or incapable and that the public service will be materially improved by his removal, such removal may be made without notice to such officer or employe, but the cause of removal shall be stated in writing and filed. When misconduct is committed in the view and presence of the President or head of an executive department, removal may be made summarily, and no statement of reasons need be filed.

"3. Where a recommendation for removal or reduction in grade or compensation of an officer or employe is made to the head of an executive department by a bureau chief or other subordinate officer, the said head of the department may, in his discretion, require that the person sought to be removed be furnished with a statement in writing of the reason for such action, and be allowed a reasonable time for personally answering the same.

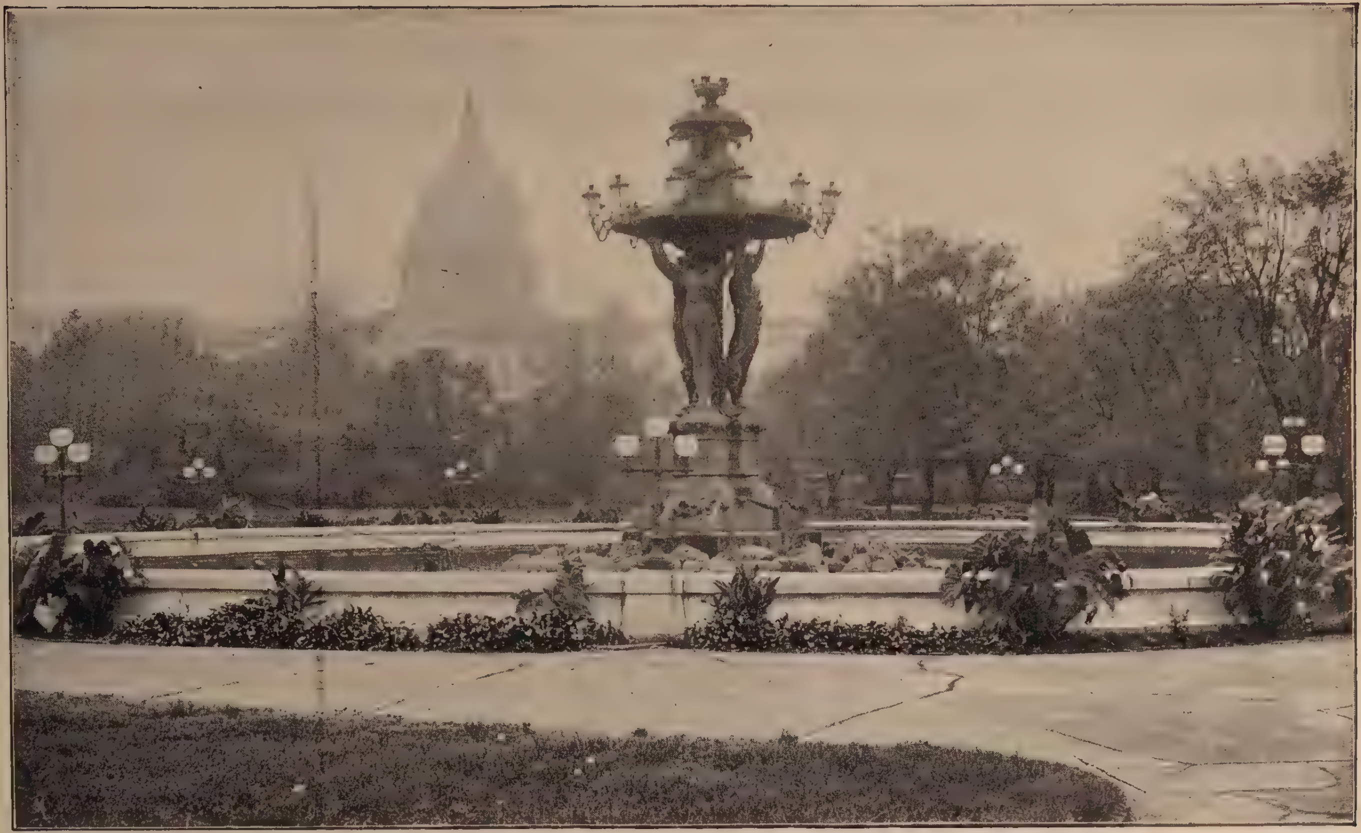
"4. The civil service commission shall have no jurisdiction to investigate any removal unless it is alleged that the procedure required by section 2 of rule 12 has not been followed or that the removal was made for political or religious reasons."

THEODORE ROOSEVELT.

WHITE HOUSE, *November 17, 1905.*

When the President or head of an executive department is satisfied that an officer or employe in the classified service is inefficient or incapable, and that the public service will be materially improved by his removal, such removal will be made without hearing; but the cause of removal shall be stated in writing and filed. When misconduct is committed in the view and presence of the President or head of executive department removal may be made summarily and without notice.

THEODORE ROOSEVELT



BARTHOLDI FOUNTAIN, WASHINGTON, D. C., WITH THE CAPITOL IN THE DISTANCE.

White House, *November 18, 1905.*

Schedule A of the civil service rules is hereby amended by adding to Section II, Treasury Department, a new clause to be numbered 12, to read as follows:

12. One examiner of tobacco and one examiner of tea in the Customs Service at the Port of Chicago.

THEODORE ROOSEVELT.

FIFTH ANNUAL MESSAGE.

White House, Dec. 5, 1905.

To the Senate and House of Representatives:

The people of this country continue to enjoy great prosperity. Undoubtedly there will be ebb and flow in such prosperity, and this ebb and flow will be felt more or less by all members of the community, both by the deserving and the undeserving. Against the wrath of the Lord the wisdom of man cannot avail; in time of flood or drought human ingenuity can but partially repair the disaster. A general failure of crops would hurt all of us. Again, if the folly of man mars the general well-being, then those who are innocent of the folly will have to pay part of the penalty incurred by those who are guilty of the folly. A panic brought on by the speculative folly of part of the business community would hurt the whole business community. But such stoppage of welfare, though it might be severe, would not be lasting. In the long run the one vital factor in the permanent prosperity of the country is the high individual character of the average American worker, the average American citizen, no matter whether his work be mental or manual, whether he be farmer or wage-worker, business man or professional man.

In our industrial and social system the interests of all men are so closely intertwined that in the immense majority of cases a straight-dealing man who by his efficiency, by his ingenuity and industry, benefits himself must also benefit others. Normally the man of great productive capacity who becomes rich by guiding the labor of many other men does so by enabling them to produce more than they could produce without his guidance; and both he and they share in the benefit, which comes also to the public at large. The superficial fact that the sharing may be unequal must never blind us to the underlying fact that there is this sharing, and that the benefit comes in some degree to each man concerned. Normally the wage-worker, the man of small means, and the average consumer, as well as the average producer, are all alike helped by making conditions such that the man of exceptional business ability receives an exceptional reward for his ability. Something can be done by legislation to help the general prosperity; but no such help of a permanently beneficial character can be given to the less able and less fortunate, save as the results of a policy which shall inure to the advantage of all industrious and efficient people who act decently; and this is only another way of saying that any benefit which comes to the less able and less fortunate must of necessity come even more to the more able and more fortunate. If, therefore, the less fortunate man is moved by envy of his more fortunate brother to strike at the conditions under which they have both, though unequally, prospered, the result will assuredly be that while danger may come to the one struck at, it will visit with an even heavier load the one who strikes the blow. Taken as a whole we must all go up or down together.

Yet, while not merely admitting, but insisting upon this, it is also true that where there is no governmental restraint or supervision some of the exceptional men use their energies not in ways that are for the common good, but in ways which tell against this common good. The fortunes amassed through corporate organization are now so large, and vest such power in those that wield them, as to make it a matter of necessity to give to the sovereign—that is, to the Government, which represents the people as a whole—some effective power of supervision over their corporate use. In order to insure a healthy social and industrial life, every big corporation should be held responsible by, and be accountable to, some sovereign strong enough to control its conduct. I am in no sense hostile to corporations. This is an age of combination, and any effort to prevent all combination will be not only useless, but in the end vicious, because of the contempt for law which the failure to enforce law inevitably produces. We should, moreover, recognize in cordial and ample fashion the immense good effected by corporate agencies in a country such as ours, and the wealth of intellect, energy, and fidelity devoted to their service, and therefore normally to the service of the public, by their officers and directors. The corporation has come to stay, just as the trade union has come to stay. Each can do and has done great good. Each should be favored so long as it does good. But each should be sharply checked where it acts against law and justice.

So long as the finances of the Nation are kept upon an honest basis no other question of internal economy with which the Congress has the power to deal begins to approach in importance the matter of endeavoring to secure proper industrial conditions under which the individuals—and especially the great corporations—doing an interstate business are to act. The makers of our National Constitution provided especially that the regulation of interstate commerce should come within the sphere of the General Government. The arguments in favor of their taking this stand were even then overwhelming. But they are far stronger today, in view of the enormous development of great business agencies, usually corporate in form. Experience has shown conclusively that it is useless to try to get any adequate regulation and supervision of these great corporations by State action. Such regulation and supervision can only be effectively exercised by a sovereign whose jurisdiction is coextensive with the field of work of the corporations—that is, by the National Government. I believe that this regulation and supervision can be obtained by the enactment of law by the Congress. If this proves impossible, it will certainly be necessary ultimately to confer in fullest form such power upon the National Government by a proper amendment of the Constitution. It would obviously be unwise to endeavor to secure such an amendment until it is certain that the result cannot be obtained under the Constitution as it now is. The laws of the Congress and of the several States hitherto, as passed upon by the courts, have resulted more often in showing that the States have no power in the matter than that the National Government has power; so that there at present exists a very unfortunate condition of things, under which these great corporations doing an interstate business occupy the position of subjects without a sovereign, neither any State Government nor the National Government having effective control over them. Our steady aim should be by legislation, cautiously and carefully undertaken, but resolutely persevered in, to assert the sovereignty of the National Government by affirmative action.

This is only in form an innovation. In substance it is merely a restoration; for from the earliest time such regulation of industrial activities has been recognized in the action of the lawmaking bodies; and all that I propose is to meet the changed conditions in such manner as will prevent the Commonwealth abdicating the power it has always possessed not only in this country, but also in England before and since this country became a separate Nation.

It has been a misfortune that the National laws on this subject have hitherto been of a negative or prohibitive rather than an affirmative kind, and still more that they have in part sought to prohibit what could not be effectively prohibited, and have in part in their prohibitions confounded what should be allowed and what should not be allowed. It is generally useless to try to prohibit all restraint on competition, whether this restraint be reasonable or unreasonable; and where it is not useless it is generally hurtful. Events have shown that it is not possible adequately to secure the enforcement of any law of this kind by incessant appeal to the courts. The Department of Justice has for the last four years devoted more attention to the enforcement of the anti-trust legislation than to anything else. Much has been accomplished, particularly marked has been the moral effect of the prosecutions; but it is increasingly evident that there will be a very insufficient beneficial result in the way of economic change. The successful prosecution of one device to evade the law immediately develops another device to accomplish the same purpose. What is needed is not sweeping prohibition of every arrangement, good or bad, which may tend to restrict competition, but such adequate supervision and regulation as will prevent any restriction of competition from being to the detriment of the public—as well as such supervision and regulation as will prevent other abuses in no way connected with restriction of competition. Of these abuses, perhaps the chief, although by no means the only one, is overcapitalization—generally itself the result of dishonest promotion—because of the myriad evils it brings in its train; for such overcapitalization often means an inflation that invites business panic; it always conceals the true relation of the profit earned to the capital actually invested, and it creates a burden of interest payments which is a fertile cause of improper reduction in or limitation of wages; it damages the small investor, discourages thrift, and encourages gambling and speculation; while perhaps worst of all is the trickiness and dishonesty which it implies—for harm to morals is worse than any possible harm to material interests, and the debauchery of politics and business by great dishonest corporations is far worse than any actual material evil they do the public. Until the National Government obtains, in some manner which the wisdom of the Congress may suggest, proper control over the big corporations engaged in interstate commerce—that is, over the great majority of the big corporations—it will be impossible to deal adequately with these evils.

I am well aware of the difficulties of the legislation that I am suggesting, and of the need of temperate and cautious action in securing it. I should emphatically protest against improperly radical or hasty action. The first thing to do is to deal with the great corporations engaged in the business of interstate transportation. As I said in my message of December 6 last, the immediate and most pressing need, so far as legislation is concerned, is the enactment into law of some scheme to secure to the agents of the Government such supervision and regulation of the rates charged by the railroads of the country engaged in interstate traffic as shall summarily and effectively prevent the imposition of unjust or unreasonable rates. It must include putting a complete stop to rebates in every shape and form. This power to regulate rates, like all similar powers over the business world, should be exercised with moderation, caution, and self-restraint; but it should exist, so that it can be effectively exercised when the need arises.

The first consideration to be kept in mind is that the power should be affirmative and should be given to some administrative body created by the Congress. If given to the present Interstate Commerce Commission, or to a reorganized Interstate Commerce Commission, such commission should be made unequivocally administrative. I do not believe in the Government interfering with private business more than is necessary. I do not believe in the Government undertaking any work which can with propriety be left in private hands. But neither do I believe in the Government flinching from overseeing any work when it becomes evident that abuses are sure to obtain therein unless there is governmental supervision. It is not my province to indicate the exact terms of the law which should be enacted; but I call the attention of the Congress to certain existing conditions with which it is desirable to deal. In my judgment the most important provision which such law should contain is that conferring upon some competent administrative body the power to decide, upon the case being brought before it, whether a given rate prescribed by a railroad is reasonable and just, and if it is found to be unreasonable and unjust, then, after full investigation of the complaint, to prescribe the limit of rate beyond which it shall not be lawful to go—the maximum reasonable rate, as it is commonly called—this decision to go into effect within a reasonable time and to obtain from thence onward, subject to review by the courts. It sometimes happens at present not that a rate is too high but that a favored shipper is given too low a rate. In such case the commission would have the right to fix this already established minimum rate as the maximum; and it would need only one or two such decisions by the commission to cure railroad companies of the practice of giving improper minimum rates. I call your attention to the fact that my proposal is not to give the commission power to initiate or originate rates generally, but to regulate a rate already fixed or originated by the roads, upon complaint and after investigation. A heavy penalty should be exacted from any corporation which fails to respect an order of the commission. I regard this power to establish a maximum rate as being essential to any scheme of real reform in the matter of railway regulation. The first necessity is to secure it; and unless it is granted to the commission there is little use in touching the subject at all.

Illegal transactions often occur under the forms of law. It has often occurred that a shipper has been told by a traffic officer to buy a large quantity of some commodity and then after it has been bought an open reduction is made in the rate to take effect immediately, the arrangement resulting to the profit of one shipper and the one railroad and to the damage of all their competitors; for it must not be forgotten that the big shippers are at least as much to blame as any railroad in the matter of rebates. The law should make it clear so that nobody can fail to understand that any kind of commission paid on freight shipments, whether in this form or in the form of fictitious damages, or of a concession, a free pass, reduced passenger rate, or payment of brokerage, is illegal. It is worth while considering whether it would not be wise to confer on the Government the right of civil action against the beneficiary of a rebate for at least twice the value of the rebate; this would help stop what is really blackmail. Elevator allowances should be stopped, for they have now grown to such an extent that they are demoralizing and are used as rebates.

The best possible regulation of rates would, of course, be that regulation secured by an honest agreement among the railroads themselves to carry out the law. Such a general agreement would, for instance, at once put a stop to the efforts of any one big shipper or big railroad to discriminate against or secure advantages over some rival; and such agreement would make the railroads themselves agents for enforcing the law. The power vested in the Government to put a stop to agreements to the detriment of the public should, in my judgment, be accompanied by power to permit, under specified conditions and careful supervision, agreements clearly in the interest of the public. But, in my judgment, the necessity for giving this further power is by no means as great as the necessity for giving the commission or administrative body the other powers I have enumerated above; and it may well be inadvisable to attempt to vest this particular power in the commission or other administrative body until it already possesses and is exercising what I regard as by far the most important of all the powers I recommend—as indeed the vitally important power—that to fix a given maximum rate, which rate, after the lapse of a reasonable time, goes into full effect, subject to review by the courts.

All private-car lines, industrial roads, refrigerator charges, and the like should be expressly put under the supervision of the Interstate Commerce Commission or some similar body so far as rates, and agreements practically affecting rates, are concerned. The private car owners and the owners of industrial railroads are entitled to a fair and reasonable compensation on their investment, but neither private cars nor industrial railroads nor spur tracks should be utilized as devices for securing preferential rates. A rebate in icing charges, or in mileage, or in a division of the rate for refrigerating charges is just as pernicious as a rebate in any other way. No lower rate should apply on goods imported than actually obtains on domestic goods from the American seaboard to destination except in cases where water competition is the controlling influence. There should be publicity of the accounts of common carriers; no common carrier engaged in interstate business should keep any books or memoranda other than those reported pursuant to law or regulation, and these books or memoranda should be open to the inspection of the Government. Only in this way can violations or evasions of the law be surely detected. A system of examination of railroad accounts should be provided similar to that now conducted into the National banks by the bank examiners; a few first-class railroad accountants, if they had proper direction and proper authority to inspect books and papers, could accomplish much in preventing willful violations of the law. It would not be necessary for them to examine into the accounts of any railroad unless for good reasons they were directed to do so by the Interstate Commerce Commission. It is greatly to be desired that some way might be found by which an agreement as to transportation within a State intended to operate as a fraud upon the Federal interstate commerce laws could be brought under the jurisdiction of the Federal authorities. At present it occurs that large shipments of interstate traffic are controlled by concessions on purely State business, which of course amounts to an evasion of the law. The commission should have power to enforce fair treatment by the great trunk lines of lateral and branch lines.

I urge upon the Congress the need of providing for expeditious action by the Interstate Commerce Commission in all these matters, whether in regulating rates for transportation or for storing or for handling property or commodities in transit. The history of the cases litigated under the present commerce act shows that its efficacy has been to a great degree destroyed by the weapon of delay, almost the most formidable weapon in the hands of those whose purpose it is to violate the law.

Let me most earnestly say that these recommendations are not made in any spirit of hostility to the railroads. On ethical grounds, on grounds of right, such hostility would be intolerable; and on grounds of mere National self-interest we must remember that such hostility would tell against the welfare not merely of some few rich men, but of a multitude of small investors, a multitude of railway employes, wage workers, and most severely against the interest of the public as a whole. I believe that on the whole our railroads have done well and not ill; but the railroad men who wish to do well should not be exposed to competition with those who have no such desire, and the only way to secure this end is to give to some Government tribunal the power to see that justice is done by the unwilling exactly as it is gladly done by the willing. Moreover, if some Government body is given increased power the effect will be to furnish authoritative answer on behalf of the railroad whenever irrational clamor against it is raised, or whenever charges made against it are disproved. I ask this legislation not only in the interest of the public but in the interest of the honest railroad man and the honest shipper alike, for it is they who are chiefly jeoparded by the practices of their dishonest competitors. This legislation should be enacted in a spirit as remote as possible from hysteria and rancor. If we of the American body politic are true to the traditions we have inherited we shall always scorn any effort to make us hate any man because he is rich, just as much as we should scorn any effort to make us look down upon or treat contemptuously any man because he is poor. We judge a man by his conduct—that is, by his character—and not by his wealth or intellect. If he makes his fortune honestly, there is no just cause of quarrel with him. Indeed, we have nothing but the kindliest feelings of admiration for the successful business man who behaves decently, whether he has made his success by building or managing a railroad or by shipping goods over that railroad. The big railroad men and big shippers are simply Americans of the ordinary type who have developed to an extraordinary degree certain great business qualities. They are neither better nor worse than their fellow-citizens of smaller means. They are merely more able in certain lines and therefore exposed to certain peculiarly strong temptations. These temptations have not sprung newly into being; the exceptionally successful among mankind have always been exposed to them; but they have grown amazingly in power as a result of the extraordinary development of industrialism along new lines, and under these new conditions, which the law-makers of old could not foresee and therefore could not provide against, they have become so serious and menacing as to demand entirely new remedies. It is in the interest of the best type of railroad man and the best type of shipper no less than of the public that there should be Governmental supervision and regulation of these great business operations, for the same reason that it is in the interest of the corporation which wishes to treat its employes aright that there should be an effective Employers' Liability act, or an effective system of factory laws to prevent the abuse of women and children. All such legislation frees the corporation that wishes to do well from being driven into doing ill, in order to compete with its rival, which prefers to do ill. We desire to set up a moral standard. There can be no delusion more fatal to the Nation than the delusion that the standard of profits, of business prosperity, is sufficient in judging any business or political question—from rate legislation to municipal government. Business success, whether for the individual or for the Nation, is a good thing only so far as it is accompanied by and develops a high standard of conduct—honor, integrity, civic courage. The kind of business prosperity that blunts the standard of honor, that puts an inordinate value on mere wealth, that makes a man ruthless and conscienceless in trade, and weak and cowardly in citizenship, is not a good thing at all, but a very bad thing for the Nation. This Government stands for manhood first and for business only as an adjunct of manhood.

The question of transportation lies at the root of all industrial success, and the revolution in transportation which has taken place during the last half century has been the most important factor in the growth of the new industrial conditions. Most emphatically we do not wish to see the man of great talents refused the reward for his talents. Still less do we wish to see him penalized; but we do desire to see the system of railroad transportation so handled that the strong man shall be given no advantage over the weak man. We wish to insure as fair treatment for the small town as for the big city; for the small shipper as for the big shipper. In the old days the highway of commerce, whether by water or by a road on land, was open to all; it belonged to the public and the traffic along it was free. At present the railway is this highway, and we must do our best to see that it is kept open to all on equal terms. Unlike the old highway it is a very difficult and complex thing to manage, and it is far better that it should be managed by private individuals than by the Government. But it can only be so managed on condition that justice is done the public. It is because, in my judgment, public ownership of railroads is highly undesirable and would probably in this country entail far-reaching disaster, but I wish to see such supervision and regulation of them in the interest of the public as will make it evident that there is no need for public ownership. The opponents of Government regulation dwell upon the difficulties to be encountered and the intricate and involved nature of the problem. Their contention is true. It is a complicated and delicate problem, and all kinds of difficulties are sure to arise in connection with any plan of solution, while no plan will bring all the benefits hoped for by its more optimistic adherents. Moreover, under any healthy plan, the benefits will develop gradually and not rapidly. Finally, we must clearly understand that the public servants who are to do this peculiarly responsible and delicate work must themselves be of the highest type both as regards integrity and efficiency. They must be well paid, for otherwise able men cannot in the long run be secured; and they must possess a lofty probity which will revolt as quickly at the thought of pandering to any gust of popular prejudice against rich men as at the thought of anything even remotely resembling subserviency to rich men. But while I fully admit the difficulties in the way, I do not for a moment admit that these difficulties warrant us in stopping in our effort to secure a wise and just system. They should have no other effect than to spur us on to the exercise of the resolution, the even-handed justice, and the fertility of resource, which we like to think of as typically American, and which will in the end achieve good results in this as in other fields of activity. The task is a great one and underlies the task of dealing with the whole industrial problem. But the fact that it is a great problem does not warrant us in shrinking from the attempt to solve it. At present we face such utter lack of supervision, such freedom from the restraints of law, that excellent men have often been literally forced into doing what they deplored because otherwise they were left at the mercy of unscrupulous competitors. To rail at and assail the men who have done as they best could under such conditions accomplishes little. What we need to do is to develop an orderly system, and such a system can only come through the gradually increased exercise of the right of efficient Government control.

In my annual message to the Fifty-eighth Congress, at its third session, I called attention to the necessity for legislation requiring the use of block signals upon railroads engaged in interstate commerce. The number of serious collisions upon unblocked roads that have occurred within the past year adds force to the recommendation then made. The Congress should provide, by appropriate legislation, for the introduction of block signals upon all railroads engaged in interstate commerce at the earliest practicable date, as a measure of increased safety to the traveling public.

Through decisions of the Supreme Court of the United States and the lower Federal courts in cases brought before them for adjudication the safety appliance law has been materially strengthened, and the Government has been enabled to secure its effective enforcement in almost all cases, with the result that the condition of railroad equipment throughout the country is much improved and railroad employes perform their duties under safer conditions than heretofore. The Government's most effective aid in arriving at this result has been its inspection service, and that these improved conditions are not more general is due to the insufficient number of inspectors employed. The inspection service has fully demonstrated its usefulness, and in appropriating for its maintenance the Congress should make provision for an increase in the number of inspectors.

The excessive hours of labor to which railroad employes in train service are in many cases subjected is also a matter which may well engage the serious attention of the Congress. The strain, both mental and physical, upon those who are engaged in the movement and operation of railroad trains under modern conditions is perhaps greater than that which exists in any other industry, and if there are any reasons for limiting by law the hours of labor in any employment, they certainly apply with peculiar force to the employment of those upon whose vigilance and alertness in the performance of their duties the safety of all who travel by rail depends.

In my annual message to the Fifty-seventh Congress, at its second session, I recommended the passage of an employers' liability law for the District of Columbia and in our navy yards. I renewed that recommendation in my message to the Fifty-eighth Congress, at its second session, and further suggested the appointment of a commission to make a comprehensive study of employers' liability, with a view to the enactment of a wise and Constitutional law covering the subject, applicable to all industries within the scope of the Federal power. I hope that such a law will be prepared and enacted as speedily as possible.

The National Government has, as a rule, but little occasion to deal with the formidable group of problems connected more or less directly with what is known as the labor question, for in the great majority of cases these problems must be dealt with by the State and municipal authorities, and not by the National Government. The National Government has control of the District of Columbia, however, and it should see to it that the City of Washington is made a model city in all respects, both as regards parks, public playgrounds, proper regulation of the system of housing, so as to do away with the evils of alley tenements, a proper system of education, a proper system of dealing with truancy and juvenile offenders, a proper handling of the charitable work of the District. Moreover, there should be proper factory laws to prevent all abuses in the employment of women and children in the District. These will be useful chiefly as object lessons, but even this limited amount of usefulness would be of real National value.

There has been demand for depriving courts of the power to issue injunctions in labor disputes. Such special limitation of the equity powers of our courts would be most unwise. It is true that some judges have misused this power; but this does not justify a denial of the power any more than an improper exercise of the power to call a strike by a labor leader would justify the denial of the right to strike. The remedy is to regulate the procedure by requiring the judge to give due notice to the adverse parties before granting the writ, the hearing to be ex parte if the adverse party does not appear at the time and place ordered. What is due notice must depend upon the facts of the case; it should not be used as a pretext to permit violation of law or the jeopardizing of life or property. Of course, this would not authorize the issuing of a restraining order or injunction in any case in which it is not already authorized by existing law.

I renew the recommendation I made in my last annual message for an investigation by the Department of Commerce and Labor of general labor conditions, especial attention to be paid to the conditions of child labor and child-labor legislation in the several States. Such an investigation should take into account the various problems with which the question of child labor is connected. It is true that these problems can be actually met in most cases only by the States themselves, but it would be well for the Nation to endeavor to secure and publish comprehensive information as to the conditions of the labor of children in the different States, so as to spur up those that are behindhand and to secure approximately uniform legislation of a high character among the several States. In such a Republic as ours the one thing that we cannot afford to neglect is the problem of turning out decent citizens The future of the Nation depends upon the citizenship of the generations to come; the children of today are those who tomorrow will shape the destiny of our land, and we cannot afford to neglect them. The Legislature of Colorado has recommended that the National Government provide some general measure for the protection from abuse of children and dumb animals throughout the United States. I lay the matter before you for what I trust will be your favorable consideration.

The Department of Commerce and Labor should also make a thorough investigation of the conditions of women in industry. Over five million American women are now engaged in gainful occupations; yet there is an almost complete dearth of data upon which to base any trustworthy conclusions as regards a subject as important as it is vast and complicated. There is need of full knowledge on which to base action looking toward State and municipal legislation for the protection of working women. The introduction of women into industry is working change and disturbance in the domestic and social life of the Nation. The decrease in marriage, and especially in the birth rate, has been coincident with it. We must face accomplished facts, and the adjustment of factory conditions must be made, but surely it can be made with less friction and less harmful effects on family life than is now the case. This whole matter in reality forms one of the greatest sociological phenomena of our time; it is a social question of the first importance, of far greater importance than any merely political or economic question can be, and to solve it we need ample data, gathered in a sane and scientific spirit in the course of an exhaustive investigation.

In any great labor disturbance not only are employer and employe interested, but a third party—the general public. Every considerable labor difficulty in which interstate commerce is involved should be investigated by the Government and the facts officially reported to the public.

The question of securing a healthy, self-respecting, and mutually sympathetic attitude as between employer and employe, capitalist and wage-worker, is a difficult one. All phases of the labor problem prove difficult when approached. But the underlying principles, the root principles, in accordance with which the problem must be solved are entirely simple. We can get justice and right dealing only if we put as of paramount importance the principle of treating a man on his worth as a man rather than with reference to his social position, his occupation or the class to which he belongs. There are selfish and brutal men in all ranks of life. If they are capitalists their selfishness and brutality may take the form of hard indifference to suffering, greedy disregard of every moral restraint which interferes with the accumulation of wealth, and cold-blooded exploitation of the weak; or, if they are laborers, the form of laziness, of sullen envy of the more fortunate, and of willingness to perform deeds of murderous violence. Such conduct is just as reprehensible in one case as in the other, and all honest and farseeing men should join in warring against it wherever it becomes manifest. Individual capitalist and individual wage-worker, corporation and union, are alike entitled to the protection of the law, and must alike obey the law. Moreover, in addition to mere obedience to the law, each man, if he be really a good citizen, must show broad sympathy for his neighbor and genuine desire to look at any question arising between them from the standpoint of that neighbor no less than from his own, and to this end it is essential that capitalist and wage-worker should consult freely one with the other, should each strive to bring closer the day when both shall realize that they are properly partners and not enemies. To approach the questions which inevitably arise between them solely from the standpoint which treats each side in the mass as the enemy of the other side in the mass is both wicked and foolish. In the past the most direful among the influences which have brought about the downfall of republics has ever been the growth of the class spirit, the growth of the spirit which tends to make a man subordinate the welfare of the public as a whole to the welfare of the particular class to which he belongs, the substitution of loyalty to a class for loyalty to the Nation. This inevitably brings about a tendency to treat each man not on his merits as an individual, but on his position as belonging to a certain class in the community. If such a spirit grows up in this Republic it will ultimately prove fatal to us, as in the past it has proved fatal to every community in which it has become dominant. Unless we continue to keep a quick and lively sense of the great fundamental truth that our concern is with the individual worth of the individual man, this Government cannot permanently hold the place which it has achieved among the nations. The vital lines of cleavage among our people do not correspond, and indeed run at right angles to, the lines of cleavage which divide occupation from occupation, which divide wage-workers from capitalists, farmers from bankers, men of small means from men of large means, men who live in the towns from men who live in the country; for the vital line of cleavage is the line which divides the honest man who tries to do well by his neighbor from the dishonest man who does ill by his neighbor. In other words, the standard we should establish is the standard of conduct, not the standard of occupation, of means, or of social position. It is the man's moral quality, his attitude toward the great questions which concern all humanity, his cleanliness of life, his power to do his duty toward himself and toward others, which really count; and if we substitute for the standard of personal judgment which treats each man according to his merits, another standard in accordance with which all men of one class are favored and all men of another class discriminated against, we shall do irreparable damage to the body politic. I believe that our people are too sane, too self-respecting, too fit for self-government, ever to adopt such an attitude. This Government is not and never shall be government by a plutocracy. This Government is not and never shall be government by a mob. It shall continue to be in the future what it has been in the past, a Government based on the theory that each man, rich or poor, is to be treated simply and solely on his worth as a man, that all his personal and property rights are to be safeguarded, and that he is neither to wrong others nor to suffer wrong from others.

The noblest of all forms of government is self-government; but it is also the most difficult. We who possess this priceless boon, and who desire to hand it on to our children and our children's children, should ever bear in mind the thought so finely expressed by Burke: "Men are qualified for civil liberty in exact proportion to their disposition to put moral chains upon their own appetites; in proportion as they are disposed to listen to the counsels of the wise and good in preference to the flattery of knaves. Society cannot exist unless a controlling power upon will and appetite be placed somewhere, and the less of it there be within the more there must be without. It is ordained in the eternal constitution of things that men of intemperate minds cannot be free. Their passions forge their fetters."

The great insurance companies afford striking examples of corporations whose business has extended so far beyond the jurisdiction of the States which created them as to preclude strict enforcement of supervision and regulation by the parent States. In my last annual message I recommended "that the Congress carefully consider whether the power of the Bureau of Corporations cannot constitutionally be extended to cover interstate transactions in insurance."

Recent events have emphasized the importance of an early and exhaustive consideration of this question, to see whether it is not possible to furnish better safeguards than the several States have been able to furnish against corruption of the flagrant kind which has been exposed. It has been only too clearly shown that certain of the men at the head of these large corporations take but small note of the ethical distinction between honesty and dishonesty; they draw the line only this side of what may be called law-honesty, the kind of honesty necessary in order to avoid falling into the clutches of the law. Of course the only complete remedy for this condition must be found in an aroused public conscience, a higher sense of ethical conduct in the community at large, and especially among business men and in the great profession of the law, and in the growth of a spirit which condemns all dishonesty, whether in rich man or in poor man, whether it takes the shape of bribery or of blackmail. But much can be done by legislation which is not only drastic but practical. There is need of a far stricter and more uniform regulation of the vast insurance interests of this country. The United States should in this respect follow the policy of other nations by providing adequate national supervision of commercial interests which are clearly national in character. My predecessors have repeatedly recognized that the foreign business of these companies is an important part of our foreign commercial relations. During the administrations of Presidents Cleveland, Harrison, and McKinley the State Department exercised its influence, through diplomatic channels, to prevent unjust discrimination by foreign countries against American insurance companies. These negotiations illustrated the propriety of the Congress recognizing the National character of insurance, for in the absence of Federal legislation the State Department could only give expression to the wishes of the authorities of the several States, whose policy was ineffective through want of uniformity.

I repeat my previous recommendation that the Congress should also consider whether the Federal Government has any power or owes any duty with respect to domestic transactions in insurance of an interstate character. That State supervision has proved inadequate is generally conceded. The burden upon insurance companies, and therefore their policy holders, of conflicting regulations of many States, is unquestioned, while but little effective check is imposed upon any able and unscrupulous man who desires to exploit the company in his own interest at the expense of the policy holders and of the public. The inability of a State to regulate effectively insurance corporations created under the laws of other States and transacting the larger part of their business elsewhere is also clear. As a remedy for this evil of conflicting, ineffective, and yet burdensome regulations there has been for many years a widespread demand for Federal supervision. The Congress has already recognized that interstate insurance may be a proper subject for Federal legislation, for in creating the Bureau of Corporations it authorized it to publish and supply useful information concerning interstate corporations, "including corporations engaged in insurance." It is obvious that if the compilation of statistics be the limit of the Federal power it is wholly ineffective to regulate this form of commercial intercourse between the States, and as the insurance business has outgrown in magnitude the possibility of adequate State supervision, the Congress should carefully consider whether further legislation can be had. What is said above applies with equal force to fraternal and benevolent organizations which contract for life insurance.

There is more need of stability than of the attempt to attain an ideal perfection in the methods of raising revenue; and the shock and strain to the business world certain to attend any serious change in these methods render such change inadvisable unless for grave reason. It is not possible to lay down any general rule by which to determine the moment when the reasons for will outweigh the reasons against such a change. Much must depend, not merely on the needs, but on the desires, of the people as a whole; for needs and desires are not necessarily identical. Of course, no change can be made on lines beneficial to, or desired by, one section or one State only. There must be something like a general agreement among the citizens of the several States, as represented in the Congress, that the change is needed and desired in the interest of the people, as a whole; and there should then be a sincere, intelligent, and disinterested effort to make it in such shape as will combine, so far as possible, the maximum of good to the people at large with the minimum of necessary disregard for the special interests of localities or classes. But in time of peace the revenue must on the average, taking a series of years together, equal the expenditures or else the revenues must be increased. Last year there was a deficit. Unless our expenditures can be kept within the revenues then our revenue laws must be readjusted. It is as yet too early to attempt to outline what shape such a readjustment should take, for it is as yet too early to say whether there will be need for it. It should be considered whether it is not desirable that the tariff laws should provide for applying as against or in favor of any other nation maximum and minimum tariff rates established by the Congress, so as to secure a certain reciprocity of treatment between other nations and ourselves. Having in view even larger considerations of policy than those of a purely economic nature, it would, in my judgment, be well to endeavor to bring about closer commercial connections with the other peoples of this continent. I am happy to be able to announce to you that Russia now treats us on the most-favored-nation basis.

I earnestly recommend to Congress the need of economy and to this end of a rigid scrutiny of appropriations. As examples merely, I call your attention to one or two specific matters. All unnecessary offices should be abolished. The Commissioner of the General Land Office recommends the abolishment of the office of Receiver of Public Moneys for the United States Land Office. This will effect a saving of about a quarter of a million dollars a year. As the business of the Nation grows, it is inevitable that there should be from time to time a legitimate increase in the number of officials, and this fact renders it all the more important that when offices become unnecessary they should be abolished. In the public printing also a large saving of public money can be made. There is a constantly growing tendency to publish masses of unimportant information. It is probably not unfair to say that many tens of thousands of volumes are published at which no human being ever looks and for which there is no real demand whatever.

Yet, in speaking of economy, I must in no wise be understood as advocating the false economy which is in the end the worst extravagance. To cut down on the navy, for instance, would be a crime against the Nation. To fail to push forward all work on the Panama Canal would be as great a folly.

In my message of December 2, 1902, to the Congress I said:

"Interest rates are a potent factor in business activity, and in order that these rates may be equalized to meet the varying needs of the seasons and of widely separated communities, and to prevent the recurrence of financial stringencies, which injuriously affect legitimate business, it is necessary that there should be an element of elasticity in our monetary system. Banks are the natural servants of commerce, and, upon them should be placed, as far as practicable, the burden of furnishing and maintaining a circulation adequate to supply the needs of our diversified industries and of our domestic and foreign commerce; and the issue of this should be so regulated that a sufficient supply should be always available for the business interests of the country."

Every consideration of prudence demands the addition of the element of elasticity to our currency system. The evil does not consist in an inadequate volume of money, but in the rigidity of this volume, which does not respond as it should to the varying needs of communities and of seasons. Inflation must be avoided; but some provision should be made that will insure a larger volume of money during the Fall and Winter months than in the less active seasons of the year; so that the currency will contract against speculation, and will expand for the needs of legitimate business. At present the Treasury Department is at irregularly recurring intervals obliged, in the interest of the business world—that is, in the interests of the American public—to try to avert financial crises by providing a remedy which should be provided by Congressional action.

At various times I have instituted investigations into the organization and conduct of the business of the executive departments. While none of these inquiries have yet progressed far enough to warrant final conclusions, they have already confirmed and emphasized the general impression that the organization of the departments is often faulty in principle and wasteful in results, while many of their business methods are antiquated and inefficient. There is every reason why our executive governmental machinery should be at least as well planned, economical, and efficient as the best machinery of the great business organizations, which at present is not the case. To make it so is a task of complex detail and essentially executive in its nature; probably no legislative body, no matter how wise and able, could undertake it with reasonable prospect of success. I recommend that the Congress consider this subject with a view to provide by legislation for the transfer, distribution, consolidation, and assignment of duties and executive organizations or parts of organizations, and for the changes in business methods, within or between the several departments, that will best promote the economy, efficiency, and high character of the Government work.

In my last annual message I said:

"The power of the Government to protect the integrity of the elections of its own officials is inherent and has been recognized and affirmed by repeated declarations of the Supreme Court. There is no enemy of free government more dangerous and none so insidious as the corruption of the electorate. No one defends or excuses corruption, and it would seem to follow that none would oppose vigorous measures to eradicate it. I recommend the enactment of a law directed against bribery and corruption in Federal elections. The details of such a law may be safely left to the wise discretion of the Congress, but it should go as far as under the Constitution it is possible to go, and should include severe penalties against him who gives or receives a bribe intended to influence his act or opinion as an elector; and provisions for the publication not only of the expenditures for nominations and elections of all candidates, but also of all contributions received and expenditures made by political committees."

I desire to repeat this recommendation. In political campaigns in a country as large and populous as ours it is inevitable that there should be much expense of an entirely legitimate kind. This, of course, means that many contributions, and some of them of large size, must be made, and, as a matter of fact, in any big political contest such contributions are always made to both sides. It is entirely proper both to give and receive them, unless there is an improper motive connected with either gift or reception. If they are extorted by any kind of pressure or promise, express or implied, direct or indirect, in the way of favor or immunity, then the giving or receiving becomes not only improper but criminal. It will undoubtedly be difficult, as a matter of practical detail, to shape an act which shall guard with reasonable certainty against such misconduct; but if it is possible to secure by law the full and verified publication in detail of all the sums contributed to and expended by the candidates or committees of any political parties, the result cannot but be wholesome. All contributions by corporations to any political committee or for any political purpose should be forbidden by law; directors should not be permitted to use stockholders' money for such purposes; and, moreover, a prohibition of this kind would be, as far as it went, an effective method of stopping the evils aimed at in corrupt practices acts. Not only should both the National and the several State Legislatures forbid any officer of a corporation from using the money of the corporation in or about any election, but they should also forbid such use of money in connection with any legislation save by the employment of counsel in public manner for distinctly legal services.

The first conference of nations held at The Hague in 1899, being unable to dispose of all the business before it, recommended the consideration and settlement of a number of important questions by another conference to be called subsequently and at an early date. These questions were the following: (1) The rights and duties of neutrals; (2) the limitation of the armed forces on land and sea, and of military budgets; (3) the use of new types and calibres of military and naval guns; (4) the inviolability of private property at sea in times of war; (5) the bombardment of ports, cities, and villages by naval forces. In October, 1904, at the instance of the Interparliamentary Union, which, at a conference held in the United States, and attended by the lawmakers of fifteen different nations, had reiterated the demand for a second conference of nations, I issued invitations to all the powers signatory to The Hague Convention to send delegates to such a conference, and suggested that it be again held at The Hague. In its note of December 16, 1904, the United States Government communicated to the representatives of foreign governments its belief that the conference could be best arranged under the provisions of the present Hague treaty.

From all the powers acceptance was received, coupled in some cases with the condition that we should wait until the end of the war then waging between Russia and Japan. The Emperor of Russia, immediately after the treaty of peace which so happily terminated this war, in a note presented to the President on September 13, through Ambassador Rosen, took the initiative in recommending that the conference be now called. The United States Government in response expressed its cordial acquiescence, and stated that it would, as a matter of course, take part in the new conference and endeavor to further its aims. We assume that all civilized governments will support the movement, and that the conference is now an assured fact. This Government will do everything in its power to secure the success of the conference, to the end that substantial progress may be made in the cause of international peace, justice, and good will.

This renders it proper at this time to say something as to the general attitude of this Government toward peace. More and more war is coming to be looked upon as in itself a lamentable and evil thing. A wanton or useless war, or a war of mere aggression—in short, any war begun or carried on in a conscienceless spirit, is to be condemned as a peculiarly atrocious crime against all humanity. We can, however, do nothing of permanent value for peace unless we keep ever clearly in mind the ethical element which lies at the root of the problem. Our aim is righteousness. Peace is normally the hand-maiden of rightousness; but when peace and righteousness conflict then a great and upright people can never for a moment hesitate to follow the path which leads toward righteousness, even though that path also leads to war. There are persons who advocate peace at any price; there are others who, following a false analogy, think that because it is no longer necessary in civilized countries for individuals to protect their rights with a strong hand, it is therefore unnecessary for nations to be ready to defend their rights. These persons would do irreparable harm to any nation that adopted their principles, and even as it is they seriously hamper the cause which they advocate by tending to render it absurd in the eyes of sensible and patriotic men. There can be no worse foe of mankind in general, and of his own country in particular, than the demagogue of war, the man who in mere folly or to serve his own selfish ends continually rails at and abuses other nations, who seeks to excite his countrymen against foreigners on insufficient pretexts, who excites and inflames a perverse and aggressive national vanity, and who may on occasions wantonly bring on conflict between his nation and some other nation. But there are demagogues of peace just as there are demagogues of war, and in any such movement as this for The Hague conference it is essential not to be misled by one set of extremists any more than by the other. Whenever it is possible for a nation or an individual to work for real peace, assuredly it is failure of duty not so to strive, but if war is necessary and righteous then either the man or the nation shrinking from it forfeits all title to self-respect. We have scant sympathy with the sentimentalist who dreads oppression less than physical suffering, who would prefer a shameful peace to the pain and toil sometimes lamentably necessary in order to secure a righteous peace. As yet there is only a partial and imperfect analogy between international law and internal or municipal law, because there is no sanction of force for executing the former while there is in the case of the latter. The private citizen is protected in his rights by the law, because the law rests in the last resort upon force exercised through the forms of law. A man does not have to defend his rights with his own hand, because he can call upon the police, upon the sheriff's posse, upon the militia, or in certain extreme cases upon the army, to defend him. But there is no such sanction of force for international law. At present there could be no greater calamity than for the free peoples, the enlightened, independent, and peace-loving peoples, to disarm while yet leaving it open to any barbarism or despotism to remain armed. So long as the world is as unorganized as now the armies and navies of those peoples who on the whole stand for justice, offer not only the best, but the only possible, security for a just peace. For instance, if the United States alone, or in company only with the other nations that on the whole tend to act justly, disarmed, we might sometimes avoid bloodshed, but we would cease to be of weight in securing the peace of justice—the real peace for which the most law-abiding and high-minded men must at times be willing to fight. As the world is now, only that nation is equipped for peace that knows how to fight, and that will not shrink from fighting if ever the conditions become such that war is demanded in the name of the highest morality.

So much it is emphatically necessary to say in order both that the position of the United States may not be misunderstood, and that a genuine effort to bring nearer the day of the peace of justice among the nations may not be hampered by a folly which, in striving to achieve the impossible, would render it hopeless to attempt the achievement of the practical. But, while recognizing most clearly all above set forth, it remains our clear duty to strive in every practicable way to bring nearer the time when the sword shall not be the arbiter among nations. At present the practical thing to do is to try to minimize the number of cases in which it must be the arbiter, and to offer, at least to all civilized powers, some substitute for war which will be available in at least a considerable number of instances. Very much can be done through another Hague conference in this direction, and I most earnestly urge that this Nation do all in its power to try to further the movement and to make the result of the decisions of The Hague conference effective. I earnestly hope that the conference may be able to devise some way to make arbitration between nations the customary way of settling international disputes in all save a few classes of cases, which should themselves be as sharply defined and rigidly limited as the present governmental and social development of the world will permit. If possible, there should be a general arbitration treaty negotiated among all the nations represented at the conference. Neutral rights and property should be protected at sea as they are protected on land. There should be an international agreement to this purpose and a similar agreement defining contraband of war.

During the last century there has been a distinct diminution in the number of wars between the most civilized nations. International relations have become closer and the development of The Hague tribunal is not only a symptom of this growing closeness of relationship, but is a means by which the growth can be furthered. Our aim should be from time to time to take such steps as may be possible toward creating something like an organization of the civilized nations, because as the world becomes more highly organized the need for navies and armies will diminish. It is not possible to secure anything like an immediate disarmament, because it would first be necessary to settle what peoples are on the whole a menace to the rest of mankind, and to provide against the disarmament of the rest being turned into a movement which would really chiefly benefit these obnoxious peoples; but it may be possible to exercise some check upon the tendency to swell indefinitely the budgets for military expenditure. Of course such an effort could succeed only if it did not attempt to do too much; and if it were undertaken in a spirit of sanity as far removed as possible from a merely hysterical pseudo-philanthropy. It is worth while pointing out that since the end of the insurrection in the Philippines this Nation has shown its practical faith in the policy of disarmament by reducing its little army one-third. But disarmament can never be of prime importance; there is more need to get rid of the causes of war than of the implements of war.

I have dwelt much on the dangers to be avoided by steering clear of any mere foolish sentimentality because my wish for peace is so genuine and earnest; because I have a real and great desire that this second Hague conference may mark a long stride forward in the direction of securing the peace of justice throughout the world. No object is better worthy the attention of enlightened statesmanship than the establishment of a surer method than now exists of securing justice as between nations, both for the protection of the little nations and for the prevention of war between the big nations. To this aim we should endeavor not only to avert bloodshed, but, above all, effectively to strengthen the forces of right. The Golden Rule should be, and as the world grows in morality it will be, the guiding rule of conduct among nations as among individuals; though the Golden Rule must not be construed, in fantastic manner, as forbidding the exercise of the police power. This mighty and free Republic should ever deal with all other States, great or small, on a basis of high honor, respecting their rights as jealously as it safeguards its own.

One of the most effective instruments for peace is the Monroe Doctrine as it has been and is being gradually developed by this Nation and accepted by other nations. No other policy could have been as efficient in promoting peace in the Western Hemisphere and in giving to each nation thereon the chance to develop along its own lines. If we had refused to apply the doctrine to changing conditions it would now be completely outworn, would not meet any of the needs of the present day, and, indeed, would probably by this time have sunk into complete oblivion. It is useful at home, and is meeting with recognition abroad because we have adapted our application of it to meet the growing and changing needs of the hemisphere. When we announce a policy such as the Monroe Doctrine we thereby commit ourselves to the consequences of the policy, and those consequences from time to time alter. It is out of the question to claim a right and yet shirk the responsibility for its exercise. Not only we, but all American republics who are benefited by the existence of the doctrine, must recognize the obligations each nation is under as regards foreign peoples no less than its duty to insist upon its own rights.

That our rights and interests are deeply concerned in the maintenance of the doctrine is so clear as hardly to need argument. This is especially true in view of the construction of the Panama Canal. As a mere matter of self-defense we must exercise a close watch over the approaches to this canal; and this means that we must be thoroughly alive to our interests in the Caribbean Sea.

There are certain essential points which must never be forgotten as regards the Monroe Doctrine. In the first place we must as a Nation make it evident that we do not intend to treat it in any shape or way as an excuse for aggrandizement on our part at the expense of the republics to the south. We must recognize the fact that in some South American countries there has been much suspicion lest we should interpret the Monroe Doctrine as in some way inimical to their interests, and we must try to convince all the other nations of this continent once and for all that no just and orderly Government has anything to fear from us. There are certain republics to the south of us which have already reached such a point of stability, order, and prosperity that they themselves, though as yet hardly consciously, are among the guarantors of this doctrine. These republics we now meet not only on a basis of entire equality, but in a spirit of frank and respectful friendship, which we hope is mutual. If all of the republics to the south of us will only grow as those to which I allude have already grown, all need for us to be the especial champions of the doctrine will disappear, for no stable and growing American Republic wishes to see some great non-American military power acquire territory in its neighborhood. All that this country desires is that the other republics on this continent shall be happy and prosperous; and they cannot be happy and prosperous unless they maintain order within their boundaries and behave with a just regard for their obligations toward outsiders. It must be understood that under no circumstances will the United States use the Monroe Doctrine as a cloak for territorial aggression. We desire peace with all the world, but perhaps most of all with the other peoples of the American Continent. There are, of course, limits to the wrongs which any self-respecting nation can endure. It is always possible that wrong actions toward this Nation, or toward citizens of this Nation, in some State unable to keep order among its own people, unable to secure justice from outsiders, and unwilling to do justice to those outsiders who treat it well, may result in our having to take action to protect our rights; but such action will not be taken with a view to territorial aggression, and it will be taken at all only with extreme reluctance and when it has become evident that every other resource has been exhausted.

Moreover, we must make it evident that we do not intend to permit the Monroe Doctrine to be used by any nation on this Continent as a shield to protect it from the consequences of its own misdeeds against foreign nations. If a republic to the south of us commits a tort against a foreign nation, such as an outrage against a citizen of that nation, then the Monroe Doctrine does not force us to interfere to prevent punishment of the tort, save to see that the punishment does not assume the form of territorial occupation in any shape. The case is more difficult when it refers to a contractual obligation. Our own Government has always refused to enforce such contractual obligations on behalf of its citizens by an appeal to arms. It is much to be wished that all foreign governments would take the same view. But they do not; and in consequence we are liable at any time to be brought face to face with disagreeable alternatives. On the one hand, this country would certainly decline to go to war to prevent a foreign government from collecting a just debt; on the other hand, it is very inadvisable to permit any foreign power to take possession, even temporarily, of the custom houses of an American Republic in order to enforce the payment of its obligations; for such temporary occupation might turn into a permanent occupation. The only escape from these alternatives may at any time be that we must ourselves undertake to bring about some arrangement by which so much as possible of a just obligation shall be paid. It is far better that this country should put through such an arrangement, rather than allow any foreign country to undertake it. To do so insures the defaulting republic from having to pay debt of an improper character under duress, while it also insures honest creditors of the republic from being passed by in the interest of dishonest or grasping creditors. Moreover, for the United States to take such a position offers the only possible way of insuring us against a clash with some foreign power. The position is, therefore, in the interest of peace as well as in the interest of justice. It is of benefit to our people; it is of benefit to foreign peoples; and most of all it is really of benefit to the people of the country concerned.

This brings me to what should be one of the fundamental objects of the Monroe Doctrine. We must ourselves in good faith try to help upward toward peace and order those of our sister republics which need such help. Just as there has been a gradual growth of the ethical element in the relations of one individual to another, so we are, even though slowly, more and more coming to recognize the duty of bear-

STREET AND HARBOR SCENES IN SAN DOMINGO

SAN DOMINGO

"San Domingo is a Republic occupying the eastern portion of the Island of Haiti. The inhabitants are of mixed Spanish, Indian, and negro blood, with some pure Africans. The language is principally Spanish, though French and English are spoken. It claims an area of 18,045 square miles, and the population is estimated at 610,000.

In 1904, in consequence of intimations from Germany and Great Britain that they would be compelled to take action unless the just claims of their subjects received some recognition, the United States was compelled to interfere and it was arranged that the customs should be collected by the United States, one-third of the receipts being returned to carry on the Dominican Government and the other two-thirds being devoted to paying off the various creditors of Santo Domingo. This arrangement has worked very satisfactorily, the share received by the Dominican Government amounting to more than was received when the entire customs were collected by native officials."

Quoted from the article entitled "Santo Domingo" in the encyclopedic index (volume eleven), which carries the narrative down to date.

ing one another's burdens, not only as among individuals, but also as among nations.

Santo Domingo, in her turn, has now made an appeal to us to help her, and not only every principle of wisdom but every generous instinct within us bids us respond to the appeal. It is not of the slightest consequence whether we grant the aid needed by Santo Domingo as an incident to the wise development of the Monroe Doctrine or because we regard the case of Santo Domingo as standing wholly by itself, and to be treated as such, and not on general principles or with any reference to the Monroe Doctrine. The important point is to give the needed aid, and the case is certainly sufficiently peculiar to deserve to be judged purely on its own merits. The conditions in Santo Domingo have for a number of years grown from bad to worse until a year ago all society was on the verge of dissolution. Fortunately, just at this time a ruler sprang up in Santo Domingo, who, with his colleagues, saw the dangers threatening their country and appealed to the friendship of the only great and powerful neighbor who possessed the power, and as they hoped also the will to help them. There was imminent danger of foreign intervention. The previous rulers of Santo Domingo had recklessly incurred debts, and owing to her internal disorders she had ceased to be able to provide means of paying the debts. The patience of her foreign creditors had become exhausted, and at least two foreign nations were on the point of intervention, and were only prevented from intervening by the unofficial assurance of this Government that it would itself strive to help Santo Domingo in her hour of need. In the case of one of these nations, only the actual opening of negotiations to this end by our Government prevented the seizure of territory in Santo Domingo by a European power. Of the debts incurred some were just, while some were not of a character which really renders it obligatory on or proper for Santo Domingo to pay them in full. But she could not pay any of them unless some stability was assured her Government and people.

Accordingly, the Executive Department of our Government negotiated a treaty under which we are to try to help the Dominican people to straighten out their finances. This treaty is pending before the Senate. In the meantime a temporary arrangement has been made which will last until the Senate has had time to take action upon the treaty. Under this arrangement the Dominican Government has appointed Americans to all the important positions in the customs service, and they are seeing to the honest collection of the revenues, turning over 45 per cent. to the Government for running expenses and putting the other 55 per cent. into a safe depository for equitable division in case the treaty shall be ratified, among the various creditors, whether European or American.

The Custom Houses offer well-nigh the only sources of revenue in Santo Domingo, and the different revolutions usually have as their real aim the obtaining of these Custom Houses. The mere fact that the Collectors of Customs are Americans, that they are performing their duties with efficiency and honesty, and that the treaty is pending in the Senate gives a certain moral power to the Government of Santo Domingo which it has not had before. This has completely discouraged all revolutionary movement, while it has already produced such an increase in the revenues that the Government is actually getting more from the 45 per cent. that the American Collectors turn over to it than it got formerly when it took the entire revenue. It is enabling the poor, harassed people of Santo Domingo once more to turn their attention to industry and to be free from the cure of interminable revolutionary disturbance. It offers to all bona-fide creditors, American and European, the only really good chance to obtain that to which they are justly entitled, while it in return gives to Santo Domingo the only opportunity of defense against claims which it ought not to pay, for now if it meets the views of the Senate we shall ourselves thoroughly examine all these claims, whether American or foreign, and see that none that are improper are paid. There is, of course, opposition to the treaty from dishonest creditors, foreign and American, and from the professional revolutionists of the island itself. We have already reason to believe that some of the creditors who do not dare expose their claims to honest scrutiny are endeavoring to stir up sedition in the island and opposition to the treaty. In the meantime, I have exercised the authority vested in me by the joint resolution of the Congress to prevent the introduction of arms into the island for revolutionary purposes.

Under the course taken, stability and order and all the benefits of peace are at last coming to Santo Domingo, danger of foreign intervention has been suspended, and there is at last a prospect that all creditors will get justice, no more and no less. If the arrangement is terminated by the failure of the treaty chaos will follow; and if chaos follows, sooner or later this Government may be involved in serious difficulties with foreign Governments over the island, or else may be forced itself to intervene in the island in some unpleasant fashion. Under the proposed treaty the independence of the island is scrupulously respected, the danger of violation of the Monroe Doctrine by the intervention of foreign powers vanishes, and the interference of our Government is minimized, so that we shall only act in conjunction with the Santo Domingo authorities to secure the proper administration of the customs, and therefore to secure the payment of just debts and to secure the Dominican Government against demands for unjust debts. The proposed method will give the people of Santo Domingo the same chance to move onward and upward which we have already given to the people of Cuba. It will be doubly to our discredit as a Nation if we fail to take advantage of this chance; for it will be of damage to ourselves, and it will be of incalculable damage to Santo Domingo. Every consideration of wise policy, and, above all, every consideration of large generosity, bids us meet the request of Santo Domingo as we are now trying to meet it.

We cannot consider the question of our foreign policy without at the same time treating of the Army and the Navy. We now have a very small army indeed, one well-nigh infinitesimal when compared with the army of any other large nation. Of course the army we do have should be as nearly perfect of its kind and for its size as is possible. I do not believe that any army in the world has a better average of enlisted men or a better type of junior officer; but the army should be trained to act effectively in a mass. Provision should be made by sufficient appropriations for manœuvers of a practical kind, so that the troops may learn how to take care of themselves under actual service conditions; every march, for instance, being made with the soldier loaded exactly as he would be in active campaign. The Generals and Colonels would thereby have opportunity of handling regiments, brigades, and divisions, and the commissary and medical departments would be tested in the field. Provision should be made for the exercise at least of a brigade and by preference of a division in marching and embarking at some point on our coast and disembarking at some other point and continuing its march. The number of posts in which the army is kept in time of peace should be materially diminished and the posts that are left made correspondingly larger. No local interests should be allowed to stand in the way of assembling the greater part of the troops which would at need form our field armies in stations of such size as will permit the best training to be given to the personnel of all grades, including the high officers and staff officers. To accomplish this end we must have not company or regimental garrisons, but brigade and division garrisons. Promotion by mere seniority can never result in a thoroughly efficient corps of officers in the higher ranks unless there accompanies it a vigorous weeding-out process. Such a weeding-out process—that is, such a process of selection—is a chief feature of the four years' course of the young officer at West Point. There is no good reason why it should stop immediately upon his graduation. While at West Point he is dropped unless he comes up to a certain standard of excellence, and when he graduates he takes rank in the army according to his rank of graduation. The results are good at West Point; and there should be in the army itself something that will achieve the same end. After a certain age has been reached the average officer is unfit to do good work below a certain grade. Provision should be made for the promotion of exceptionally meritorious men over the heads of their comrades and for the retirement of all men who have reached a given age without getting beyond a given rank; this age of retirement of course changing from rank to rank. In both the army and the navy there should be some principle of selection, that is, of promotion for merit, and there should be a resolute effort to eliminate the aged officers of reputable character who possess no special efficiency.

There should be an increase in the coast artillery force, so that our coast fortifications can be in some degree adequately manned. There is special need for an increase and reorganization of the Medical Department of the army. In both the army and navy there must be the same thorough training for duty in the staff corps as in the fighting line. Only by such training in advance can we be sure that in actual war field operations and those at sea will be carried on successfully. The importance of this was shown conclusively in the Spanish-American and the Russo-Japanese wars. The work of the medical departments in the Japanese army and navy is especially worthy of study. I renew my recommendation of January 9, 1905, as to the Medical Department of the army and call attention to the equal importance of the needs of the staff corps of the navy. In the Medical Department of the navy the first in importance is the reorganization of the Hospital Corps, on the lines of the Gallinger bill, (S. 3,984, February 1, 1904), and the reapportionment of the different grades of the medical officers to meet service requirements. It seems advisable also that medical officers of the army and navy should have similar rank and pay in their respective grades, so that their duties can be carried on without friction when they are brought together. The base hospitals of the navy should be put in condition to meet modern requirements and hospital ships be provided. Unless we now provide with ample forethought for the medical needs of the army and navy appalling suffering of a preventable kind is sure to occur if ever the country goes to war. It is not reasonable to expect successful administration in time of war of a department which lacks a third of the number of officers necessary to perform the medical service in time of peace. We need men who are not merely doctors; they must be trained in the administration of military medical service.

Our navy must, relatively to the navies of other nations, always be of greater size than our army. We have most wisely continued for a number of years to build up our navy, and it has now reached a fairly high standard of efficiency. This standard of efficiency must not only be maintained, but increased. It does not seem to be necessary, however, that the navy should—at least in the immediate future—be increased beyond the present number of units. What is now clearly necessary is to substitute efficient for inefficient units as the latter become worn out or as it becomes apparent that they are useless. Probably the result would be attained by adding a single battleship to our navy each year, the superseded or outworn vessels being laid up or broken up as they are thus replaced. The four single-turret monitors built immediately after the close of the Spanish war, for instance, are vessels which would be of but little use in the event of war. The money spent upon them could have been more usefully spent in other ways. Thus it would have been far better never to have built a single one of these monitors and to have put the money into an ample supply of reserve guns. Most of the smaller cruisers and gunboats, though they serve a useful purpose so far as they are needed for international police work, would not add to the strength of our navy in a conflict with a serious foe. There is urgent need of providing a large increase in the number of officers, and especially in the number of enlisted men.

Recent naval history has emphasized certain lessons which ought not to, but which do, need emphasis. Seagoing torpedo boats or destroyers are indispensable, not only for making night attacks by surprise upon an enemy, but even in battle for finishing already crippled ships. Under exceptional circumstances submarine boats would doubtless be of use. Fast scouts are needed. The main strength of the navy, however, lies, and can only lie, in the great battleships, the heavily armored, heavily gunned vessels which decide the mastery of the seas. Heavy-armed cruisers also play a most useful part, and unarmed cruisers, if swift enough, are very useful as scouts. Between antagonists of approximately equal prowess the comparative perfection of the instruments of war will ordinarily determine the fight. But it is, of course, true that the man behind the gun, the man in the engine room, and the man in the conning tower, considered not only individually, but especially with regard to the way in which they work together, are even more important than the weapons with which they work. The most formidable battleship is, of course, helpless against even a light cruiser if the men aboard it are unable to hit anything with their guns, and thoroughly well-handled cruisers may count seriously in an engagement with much superior vessels, if the men aboard the latter are ineffective, whether from lack of training or from any other cause. Modern warships are most formidable mechanisms when well handled, but they are utterly useless when not well handled, and they cannot be handled at all without long and careful training. This training can under no circumstance be given when once war has broken out. No fighting ship of the first class should ever be laid up save for necessary repairs, and her crew should be kept constantly exercised on the high seas, so that she may stand at the highest point of perfection. To put a new and untrained crew upon the most powerful battleship and send it out to meet a formidable enemy is not only to invite, but to insure, disaster and disgrace. To improvise crews at the outbreak of a war, so far as the serious fighting craft are concerned, is absolutely hopeless. If the officers and men are not thoroughly skilled in, and have not been thoroughly trained to, their duties, it would be far better to keep the ships in port during hostilities than to send them against a formidable opponent, for the result could only be that they would be either sunk or captured. The marksmanship of our navy is now on the whole in a gratifying condition, and there has been a great improvement in fleet practice. We need additional seamen; we need a large store of reserve guns; we need sufficient money for ample target practice, ample practice of every kind at sea. We should substitute for comparatively inefficient types—the old third-class battleship Texas, the single-turreted monitors above mentioned, and, indeed, all the monitors and some of the old cruisers—efficient, modern seagoing vessels. Seagoing torpedo-boat destroyers should be substituted for some of the smaller torpedo boats. During the present Congress there need be no additions to the aggregate number of units of the navy. Our navy, though very small relatively to the navies of other nations, is for the present sufficient in point of numbers for our needs, and while we must constantly strive to make its efficiency higher, there need be no additions to the total of ships now built and building, save in the way of substitution as above outlined. I recommend the report of the Secretary of the Navy to the careful consideration of the Congress, especially with a view to the legislation therein advocated.

During the past year evidence has accumulated to confirm the expressions contained in my last two annual messages as to the importance of revising by appropriate legislation our system of naturalizing aliens. I appointed last March a commission to make a careful examination of our naturalization laws, and to suggest appropriate measures to avoid the notorious abuses resulting from the improvident or unlawful granting of citizenship. This commission, composed of an officer of the Department of State, of the Department of Justice, and of the Department of Commerce and Labor, has discharged the duty imposed upon it, and has submitted a report, which will be transmitted to the Congress for its consideration, and, I hope, for its favorable action.

The distinguishing recommendations of the commission are:

First—A Federal Bureau of Naturalization, to be established in the Department of Commerce and Labor, to supervise the administration of the naturalization laws and to receive returns of naturalizations pending and accomplished.

Second—Uniformity of naturalization certificates, fees to be charged, and procedure.

Third—More exacting qualifications for citizenship.

Fourth—The preliminary declaration of intention to be abolished and no alien to be naturalized until at least ninety days after the filing of his petition.

Fifth—Jurisdiction to naturalize aliens to be confined to United States district courts and to such State courts as have jurisdiction in civil actions in which the amount in controversy is unlimited; in cities of over 100,000 inhabitants the United States district courts to have exclusive jurisdiction in the naturalization of the alien residents of such cities.

In my last message I asked the attention of the Congress to the urgent need of action to make our criminal law more effective; and I most earnestly request that you pay heed to the report of the Attorney General on this subject. Centuries ago it was especially needful to throw every safeguard round the accused. The danger then was lest he should be wronged by the State. The danger is now exactly the reverse. Our laws and customs tell immensely in favor of the criminal and against the interests of the public he has wronged. Some antiquated and outworn rules which once safeguarded the threatened rights of private citizens, now merely work harm to the general body politic. The criminal law of the United States stands in urgent need of revision. The criminal process of any court of the United States should run throughout the entire territorial extent of our country. The delays of the criminal law, no less than of the civil, now amount to a very great evil.

There seems to be no statute of the United States which provides for the punishment of a United States Attorney or other officer of the Government who corruptly agrees to wrongfully do or wrongfully refrain from doing any act when the consideration for such corrupt agreement is other than one possessing money value. This ought to be remedied by appropriate legislation. Legislation should also be enacted to cover explicitly, unequivocally, and beyond question breach of trust in the shape of prematurely divulging official secrets by an officer or employe of the United States, and to provide a suitable penalty therefor. Such officer or employe owes the duty to the United States to guard carefully and not to divulge or in any manner use, prematurely, information which is accessible to the officer or employe by reason of his official position. Most breaches of public trust are already covered by the law, and this one should be. It is impossible, no matter how much care is used, to prevent the occasional appointment to the public service of a man who when tempted proves unfaithful; but every means should be provided to detect and every effort made to punish the wrongdoer. So far as in my power lies each and every such wrongdoer shall be relentlessly hunted down; in no instance in the past has he been spared; in no instance in the future shall he be spared. His crime is a crime against every honest man in the Nation, for it is a crime against the whole body politic. Yet in dwelling on such misdeeds it is unjust not to add that they are altogether exceptional, and that on the whole the employes of the Government render upright and faithful service to the people. There are exceptions, notably in one or two branches of the service, but at no time in the Nation's history has the public service of the Nation taken as a whole stood on a higher plane than now, alike as regards honesty and as regards efficiency.

Once again I call your attention to the condition of the public land laws. Recent developments have given new urgency to the need for such changes as will fit these laws to actual present conditions. The honest disposal and right use of the remaining public lands is of fundamental importance. The iniquitous methods by which the monopolizing of the public lands is being brought about under the present laws are becoming more generally known, but the existing laws do not furnish effective remedies. The recommendations of the Public Lands Commission upon this subject are wise and should be given effect.

The creation of small irrigated farms under the Reclamation act is a powerful offset to the tendency of certain other laws to foster or permit monopoly of the land. Under that act the construction of great irrigation works has been proceeding rapidly and successfully, the lands reclaimed are eagerly taken up, and the prospect that the policy of National irrigation will accomplish all that was expected of it is bright. The act should be extended to include the State of Texas.

The Reclamation act derives much of its value from the fact that it tends to secure the greatest possible number of homes on the land, and to create communities of freeholders, in part by settlement on public lands, in part by forcing the subdivision of large private holdings before they can get water from Government irrigation works. The law requires that no right to the use of water for land in private ownership shall be sold for a tract exceeding 160 acres to any one land owner. This provision has excited active and powerful hostility, but the success of the law itself depends on the wise and firm enforcement of it. We cannot afford to substitute tenants for freeholders on the public domain.

The greater part of the remaining public lands can not be irrigated. They are at present and will probably always be of greater value for grazing than for any other purpose. This fact has led to the grazing homestead of 640 acres in Nebraska and to the proposed extension of it to other States. It is argued that a family can not be supported on 160 acres of arid grazing land. This is obviously true, but neither can a family be supported on 640 acres of much of the land to which it is proposed to apply the grazing homestead. To establish universally any such arbitrary limit would be unwise at the present time. It would probably result on the one hand in enlarging the holdings of some of the great land owners, and on the other in needless suffering and failure on the part of a very considerable proportion of the bona fide settlers who give faith to the implied assurance of the Government that such an area is sufficient. The best use of the public grazing lands requires the careful examination and classification of these lands in order to give each settler land enough to support his family and no more. While this work is being done, and until the lands are settled, the Government should take control of the open range, under reasonable regulations suited to local needs, following the general policy already in successful operation on the forest reserves. It is probable that the present grazing value of the open public range is scarcely more than half what it once was or what it might easily be again under careful regulation.

The forest policy of the Administration appears to enjoy the unbroken support of the people. The great users of timber are themselves forwarding the movement for forest preservation. All organized opposition to the forest preserves in the West has disappeared. Since the consolidation of all Government forest work in the National Forest Service there has been a rapid and notable gain in the usefulness of the forest reserves to the people and in public appreciation of their value. The National parks within or adjacent to forest reserves should be transferred to the charge of the Forest Service also.

The National Government already does something in connection with the construction and maintenance of the great system of levees along the lower course of the Mississippi; in my judgment it should do much more.

To the spread of our trade in peace and the defense of our flag in war a great and prosperous merchant marine is indispensable. We should have ships of our own and seamen of our own to convey our goods to neutral markets, and in case of need to re-inforce our battle line. It cannot but be a source of regret and uneasiness to us that the lines of communication with our sister republics of South America should be chiefly under foreign control. It is not a good thing that American merchants and manufacturers should have to send their goods and letters to South America via Europe if they wish security and dispatch. Even on the Pacific, where our ships have held their own better than on the Atlantic, our merchant flag is now threatened through the liberal aid bestowed by other Governments on their own steam lines. I ask your earnest consideration of the report with which the Merchant Marine Commission has followed its long and careful inquiry.

I again heartily commend to your favorable consideration the tercentennial celebration at Jamestown, Va. Appreciating the desirability of this commemoration, the Congress passed an act, March 3, 1905, authorizing in the year 1907, on and near the waters of Hampton Roads, in the State of Virginia, an international naval, marine, and military celebration in honor of this event. By the authority vested in me by this act, I have made proclamation of said celebration, and have issued, in conformity with its instructions, invitations to all the nations of the earth to participate, by sending their naval vessels and such military organizations as may be practicable. This celebration would fail of its full purpose unless it were enduring in its results and commensurate with the importance of the event to be celebrated, the event from which our Nation dates its birth. I earnestly hope that this celebration, already indorsed by the Congress of the United States, and by the Legislatures of sixteen States since the action of the Congress, will receive such additional aid at your hands as will make it worthy of the great event it is intended to celebrate, and thereby enable the Government of the United States to make provision for the exhibition of its own resources, and likewise enable our people who have undertaken the work of such a celebration to provide suitable and proper entertainment and instruction in the historic events of our country for all who may visit the exposition and to whom we have tendered our hospitality.

It is a matter of unmixed satisfaction once more to call attention to the excellent work of the Pension Bureau; for the veterans of the civil war have a greater claim upon us than any other class of our citizens. To them, first of all among our people, honor is due.

Seven years ago my lamented predecessor, President McKinley, stated that the time had come for the Nation to care for the graves of the Confederate dead. I recommend that the Congress take action toward this end. The first need is to take charge of the graves of the Confederate dead who died in Northern prisons.

The question of immigration is of vital interest to this country. In the year ending June 30, 1905, there came to the United States 1,026,000 alien immigrants. In other words, in the single year that has just elapsed there came to this country a greater number of people than came here during the one hundred and sixty-nine years of our Colonial life which intervened between the first landing at Jamestown and the Declaration of Independence. It is clearly shown in the report of the Commissioner General of Immigration that while much of this enormous immigration is undoubtedly healthy and natural, a considerable proportion is undesirable from one reason or another;

moreover, a considerable proportion of it, probably a very large proportion, including most of the undesirable class, does not come here of its own initiative, but because of the activity of the agents of the great transportation companies. These agents are distributed throughout Europe, and by the offer of all kinds of inducements they wheedle and cajole many immigrants, often against their best interest, to come here. The most serious obstacle we have to encounter in the effort to secure a proper regulation of the immigration to these shores arises from the determined opposition of the foreign steamship lines who have no interest whatever in the matter save to increase the returns on their capital by carrying masses of immigrants hither in the steerage quarters of their ships.

As I said in my last message to the Congress, we cannot have too much immigration of the right sort and we should have none whatever of the wrong sort. Of course, it is desirable that even the right kind of immigration should be properly distributed in this country. We need more of such immigration for the South; and special effort should be made to secure it. Perhaps it would be possible to limit the number of immigrants allowed to come in any one year to New York and other Northern cities, while leaving unlimited the number allowed to come to the South; always provided, however, that a stricter effort is made to see that only immigrants of the right kind come to our country anywhere. In actual practice it has proved so difficult to enforce the immigration laws where long stretches of frontier marked by an imaginary line alone intervene between us and our neighbors that I recommend that no immigrants be allowed to come in from Canada and Mexico save natives of the two countries themselves. As much as possible should be done to distribute the immigrants upon the land and keep them away from the congested tenement-house districts of the great cities. But distribution is a palliative, not a cure. The prime need is to keep out all immigrants who will not make good American citizens. The laws now existing for the exclusion of undesirable immigrants should be strengthened. Adequate means should be adopted, enforced by sufficient penalties, to compel steamship companies engaged in the passenger business to observe in good faith the law which forbids them to encourage or solicit immigration to the United States. Moreover, there should be a sharp limitation imposed upon all vessels coming to our ports as to the number of immigrants in ratio to the tonnage which each vessel can carry. This ratio should be high enough to insure the coming hither of as good a class of aliens as possible. Provision should be made for the surer punishment of those who induce aliens to come to this country under promise or assurance of employment. It should be made possible to inflict a sufficiently heavy penalty on any employer violating this law to deter him from taking the risk. It seems to me wise that there should be an international conference held to deal with this question of immigration, which has more than a merely National significance; such a conference could, among other things, enter at length into the methods for securing a thorough inspection of would-be immigrants at the ports from which they desire to embark before permitting them to embark.

In dealing with this question it is unwise to depart from the old American tradition and to discriminate for or against any man who desires to come here and become a citizen, save on the ground of that man's fitness for citizenship. It is our right and duty to consider his moral and social quality. His standard of living should be such that he will not, by pressure of competition, lower the standard of living of our own wage-workers; for it must ever be a prime object of our legislation to keep high their standard of living. If the man who seeks to come here is from the moral and social standpoint of such a character as to bid fair to add value to the community he should be heartily welcomed. We cannot afford to pay heed to whether he is of one creed or another, of one nation, or another. We cannot afford to consider whether he is Catholic or Protestant, Jew or Gentile; whether he is Englishman or Irishman, Frenchman or German, Japanese, Italian, Scandinavian, Slav, or Magyar. What we should desire to find out is the individual quality of the individual man. In my judgment, with this end in view, we shall have to prepare through our own agents a far more rigid inspection in the countries from which the immigrants come. It will be a great deal better to have fewer immigrants, but all of the right kind, than a great number of immigrants, many of whom are necessarily of the wrong kind. As far as possible we wish to limit the immigration to this country to persons who propose to become citizens of this country, and we can well afford to insist upon adequate scrutiny of the character of those who are thus proposed for future citizenship. There should be an increase in the stringency of the laws to keep out insane, idiotic, epileptic, and pauper immigrants. But this is by no means enough. Not merely the Anarchist, but every man of Anarchistic tendencies, all violent and disorderly people, all people of bad character, the incompetent, the lazy, the vicious, the physically unfit, defective, or degenerate should be kept out. The stocks out of which American citizenship is to be built should be strong and healthy, sound in body, mind, and character. If it be objected that the Government agents would not always select well, the answer is that they would certaintly select better than do the agents and brokers of foreign steamship companies, the people who now do whatever selection is done.

The questions arising in connection with Chinese immigration stand by themselves. The conditions in China are such that the entire Chinese coolie class, that is, the class of Chinese laborers, skilled and unskilled, legitimately come under the head of undesirable immigrants to this country, because of their numbers, the low wages for which they work, and their low standard of living. Not only is it to the interest of this country to keep them out, but the Chinese authorities do not desire that they should be admitted. At present their entrance is prohibited by laws amply adequate to accomplish this purpose. These laws have been, are being, and will be, thoroughly enforced. The violations of them are so few in number as to be infinitesimal and can be entirely disregarded. There is no serious proposal to alter the immigration law as regards the Chinese laborer, skilled or unskilled, and there is no excuse for any man feeling or affecting to feel the slightest alarm on the subject.

But in the effort to carry out the policy of excluding Chinese laborers, Chinese coolies, grave injustice and wrong have been done by this Nation to the people of China, and therefore ultimately to this Nation itself. Chinese students, business and professional men of all kinds—not only merchants, but bankers, doctors, manufacturers, professors, travelers, and the like—should be encouraged to come here, and treated on precisely the same footing that we treat students, business men, travelers, and the like of other nations. Our laws and treaties should be framed, not so as to put these people in the excepted classes, but to state that we will admit all Chinese, except Chinese of the coolie class, Chinese skilled or unskilled laborers. There would not be the least danger that any such provision would result in any relaxation of the law about laborers. These will, under all conditions, be kept out absolutely. But it will be more easy to see that both justice and courtesy are shown, as they ought to be shown, to other Chinese, if the law or treaty is framed as above suggested. Examinations should be completed at the port of departure from China. For this purpose there should be provided a more adequate Consular Service in China than we now have. The appropriations both for the offices of the Consuls and for the office forces in the consulates should be increased.

As a people we have talked much of the open door in China, and we expect, and quite rightly intend to insist upon, justice being shown us by the Chinese. But we cannot expect to receive equity unless we do equity. We cannot ask the Chinese to do to us what we are unwilling to do to them. They would have a perfect right to exclude our laboring men if our laboring men threatened to come into their country in such numbers as to jeopardize the well-being of the Chinese population; and as, mutatis mutandis, these were the conditions with which Chinese immigration actually brought this people face to face, we had and have a perfect right, which the Chinese Government in no way contests, to act as we have acted in the matter of restricting coolie immigration. That this right exists for each country was explicitly acknowledged in the last treaty between the two countries. But we must treat the Chinese student, traveler, and business man in a spirit of the broadest justice and courtesy if we expect similar treatment to be accorded to our own people of similar rank who go to China. Much trouble has come during the past Summer from the organized boycott against American goods which has been started in China. The main factor in producing this boycott has been the resentment felt by the students and business people of China, by all the Chinese leaders, against the harshness of our law toward educated Chinamen of the professional and business classes.

This Government has the friendliest feeling for China and desires China's well-being. We cordially sympathize with the announced purpose of Japan to stand for the integrity of China. Such an attitude tends to the peace of the world.

The civil service law has been on the statute books for twenty-two years. Every President and a vast majority of heads of departments who have been in office during that period have favored a gradual extension of the merit system. The more thoroughly its principles have been understood, the greater has been the favor with which the law has been regarded by administration officers. Any attempt to carry on the great executive departments of the Government without this law would inevitably result in chaos. The Civil Service Commissioners are doing excellent work, and their compensation is inadequate considering the service they perform.

The statement that the examinations are not practical in character is based on a misapprehension of the practice of the Commission. The departments are invariably consulted as to the requirements desired and as to the character of questions that shall be asked. General invitations are frequently sent out to all heads of departments asking whether any changes in the scope or character of examinations are required. In other words, the departments prescribe the requirements and qualifications desired, and the Civil Service Commission co-operates with them in securing persons with these qualifications and insuring open and impartial competition. In a large number of examinations (as, for example, those for trades positions), there are no educational requirements whatever, and a person who can neither read nor write may pass with a high average. Vacancies in the service are filled with reasonable expedition, and the machinery of the Commission, which reaches every part of the country, is the best agency that has yet been devised for finding people with the most suitable qualifications for the various offices to be filled. Written competitive examinations do not make an ideal method for filling positions, but they do represent an immeasurable advance upon the "spoils" method, under which outside politicians really make the appointments nominally made by the executive officers, the appointees being chosen by the politicians in question, in the great majority of cases, for reasons totally unconnected with the needs of the service or of the public.

Statistics gathered by the Census Bureau show that the tenure of office in the Government service does not differ materially from that enjoyed by employes of large business corporations. Heads of executive departments and members of the Commission have called my attention to the fact that the rule requiring a filing of charges and three days' notice before an employe could be separated from the service for inefficiency has served no good purpose whatever, because that is not a matter upon which a hearing of the employe found to be inefficient can be of any value, and in practice the rule providing for such notice and hearing has merely resulted in keeping in a certain number of incompetents, because of the reluctance of the heads of departments and bureau chiefs to go through the required procedure. Experience has shown that this rule is wholly ineffective to save any man, if a superior for improper reasons wishes to remove him, and is mischievous because it sometimes serves to keep in the service incompetent men not guilty of specific wrongdoing. Having these facts in view the rule has been amended by providing that where the inefficiency or incapacity comes within the personal knowledge of the head of a department the removal may be made without notice, the reasons therefor being filed and made a record of the department. The absolute right of the removal rests where it always has rested, with the head of a department; any limitation of this absolute right results in grave injury to the public service. The change is merely one of procedure; it was much needed, and it is producing good results.

The civil service law is being energetically and impartially enforced, and in the large majority of cases complaints of violations of either the law or rules are discovered to be unfounded. In this respect this law compares very favorably with any other Federal statute. The question of politics in the appointment and retention of the men engaged in merely ministerial work has been practically eliminated in almost the entire field of Government employment covered by the civil service law. The action of the Congress in providing the commission with its own force instead of requiring it to rely on detailed clerks has been justified by the increased work done at a smaller cost to the Government. I urge upon the Congress a careful consideration of the recommendations contained in the annual report of the commission.

Our copyright laws urgently need revision. They are imperfect in definition, confused and inconsistent in expression; they omit provision for many articles which, under modern reproductive processes are entitled to protection; they impose hardships upon the copyright proprietor which are not essential to the fair protection of the public; they are difficult for the courts to interpret and impossible for the Copyright Office to administer with satisfaction to the public. Attempts to improve them by amendment have been frequent, no less than twelve acts for the purpose having been passed since the Revised Statutes. To perfect them by further amendment seems impracticable. A complete revision of them is essential. Such a revision, to meet modern conditions, has been found necessary in Germany, Austria, Sweden, and other foreign countries, and bills embodying it are pending in England and the Australian colonies. It has been urged here, and proposals for a commission to undertake it have, from time to time, been pressed upon the Congress. The inconveniences of the present conditions being so great, an attempt to frame appropriate legislation has been made by the Copyright Office, which has called conferences of the various interests especially and practically concerned with the operation of the copyright laws. It has secured from them suggestions as to the changes necessary; it has added from its own experience and investigations, and it has drafted a bill which embodies such of these changes and additions as, after full discussion and expert criticism, appeared to be sound and safe. In form this bill would replace the existing insufficient and inconsistent laws by one general copyright statute. It will be presented to the Congress at the coming session. It deserves prompt consideration.

I recommend that a law be enacted to regulate inter-State commerce in misbranded and adulterated foods, drinks, and drugs. Such law would protect legitimate manufacture and commerce, and would tend to secure the health and welfare of the consuming public. Traffic in food-stuffs which have been debased or adulterated so as to injure health or to deceive purchasers should be forbidden.

The law forbidding the emission of dense black or gray smoke in the city of Washington has been sustained by the courts. Something has been accomplished under it, but much remains to be done if we would preserve the capital city from defacement by the smoke nuisance. Repeated prosecutions under the law have not had the desired effect. I recommend that it be made more stringent by increasing both the minimum and maximum fine; by providing for imprisonment in cases of repeated violation, and by affording the remedy of injunction against the continuation of the operation of plants which are persistent offenders. I recommend, also, an increase in the number of inspectors, whose duty it shall be to detect violations of the act.

I call your attention to the generous act of the State of California in conferring upon the United States Government the ownership of the Yosemite Valley and the Mariposa Big Tree Grove. There should be no delay in accepting the gift, and appropriations should be made for the including thereof in the Yosemite National Park, and for the care and policing of the park. California has acted most wisely, as well as with great magnanimity, in the matter. There are certain mighty natural features of our land which should be preserved in perpetuity for our children and our children's children. In my judgment, the Grand Canyon of the Colorado should be made into a National park. It is greatly to be wished that the State of New York should copy as regards Niagara what the State of California has done as regards the Yosemite. Nothing should be allowed to interfere with the preservation of Niagara Falls in all their beauty and majesty. If the State cannot see to this, then it is earnestly to be wished that she should be willing to turn it over to the National Government, which should in such case (if possible, in conjunction with the Canadian Government) assume the burden and responsibility of preserving unharmed Niagara Falls; just as it should gladly assume a similar burden and responsibility for the Yosemite National Park, and as it has already assumed them for the Yellowstone National Park. Adequate provision should be made by the Congress for the proper care and supervision of all these National parks. The boundaries of the Yellowstone National Park should be extended to the south and east, to take in such portions of the abutting forest reservations as will enable the Government to protect the elk on their Winter range.

The most characteristic animal of the Western plains was the great, shaggy-maned wild ox, the bison, commonly known as buffalo. Small fragments of herds exist in a domesticated state here and there, a few of them in the Yellowstone Park. Such a herd as that on the Flathead Reservation should not be allowed to go out of existence. Either on some reservation or on some forest reserve like the Wichita reserve and game refuge provision should be made for the preservation of such a herd. I believe that the scheme would be of economic advantage, for the robe of the buffalo is of high market value, and the same is true of the robe of the crossbred animals.

I call your especial attention to the desirability of giving to the members of the Life Saving Service pensions such as are given to firemen and policemen in all our great cities. The men in the Life Saving Service continually and in the most matter of fact way do deeds such as make Americans proud of their country. They have no political influence, and they live in such remote places that the really heroic services they continually render receive the scantiest recognition from the public. It is unjust for a great nation like this to permit these men to become totally disabled or to meet death in the performance of their hazardous duty and yet to give them no sort of reward. If one of them serves thirty years of his life in such a position he should surely be entitled to retire on half pay, as a fireman or policeman does, and if he becomes totally incapacitated through accident or sickness, or loses his health in the discharge of his duty, he or his family should receive a pension just as any soldier should. I call your attention with especial earnestness to this matter because it appeals not only to our judgment but to our sympathy; for the people on whose behalf I ask it are comparatively few in number, render incalculable service of a particularly dangerous kind, and have no one to speak for them.

During the year just past, the phase of the Indian question which has been most sharply brought to public attention is the larger legal significance of the Indian's induction into citizenship. This has made itself manifest not only in a great access of litigation in which the citizen Indian figures as a party defendant and in a more widespread disposition to levy local taxation upon his personalty, but in a decision of the United States Supreme Court which struck away the main prop on which has hitherto rested the Government's benevolent effort to protect him against the evils of intemperance. The court holds, in effect, that when an Indian becomes, by virtue of an allotment of land to him, a citizen of the State in which his land is situated, he passes from under Federal control in such matters as this, and the acts of the Congress prohibiting the sale or gift to him of intoxicants become substantially inoperative. It is gratifying to note that the States and municipalities of the West which have most at stake in the welfare of the Indians are taking up this subject and are trying to supply, in a measure at least, the abdication of its trusteeship forced upon the Federal Government. Nevertheless, I would urgently press upon the attention of the Congress the question whether some amendment of the internal revenue laws might not be of aid in prosecuting those malefactors, known in the Indian country as "bootleggers," who are engaged at once in defrauding the United States Treasury of taxes and, what is far more important, in debauching the Indians by carrying liquors illicitly into territory still completely under Federal jurisdiction.

Among the crying present needs of the Indians are more day schools situated in the midst of their settlements, more effective instruction in the industries pursued on their own farms, and a more liberal extension of the field-matron service, which means the education of the Indian women in the arts of home making. Until the mothers are well started in the right direction we cannot reasonably expect much from the children who are soon to form an integral part of our American citizenship. Moreover the excuse continually advanced by male adult Indians for refusing offers of remunerative employment at a distance from their homes is that they dare not leave their families too long out of their sight. One effectual remedy for this state of things is to employ the minds and strengthen the moral fibre of the Indian women—the end to which the work of the field matron is especially directed. I trust that the Congress will make its appropriations for Indian day schools and field matrons as generous as may consist with the other pressing demands upon its providence.

During the last year the Philippine Islands have been slowly recovering from the series of disasters which, since American occupation, have greatly reduced the amount of agricultural products below what was produced in Spanish times. The war, the rinderpest, the locusts, the drought, and the cholera have been united as causes to prevent a return of the prosperity much needed in the islands. The most serious is the destruction by the rinderpest of more than 75 per cent. of the draught cattle, because it will take several years of breeding to restore the necessary number of these indispensable aids to agriculture. The commission attempted to supply by purchase from adjoining countries the needed cattle, but the experiments made were unsuccessful. Most of the cattle imported were unable to withstand the change of climate and the rigors of the voyage and died from other diseases than rinderpest.

The income of the Philippine Government has necessarily been reduced by reason of the business and agricultural depression in the islands, and the Government has been obliged to exercise great economy to cut down its expenses, to reduce salaries, and in every way to avoid a deficit. It has adopted an internal revenue law, imposing taxes on cigars, cigarettes, and distilled liquors, and abolishing the old Spanish industrial taxes. The law has not operated as smoothly as was hoped, and although its principle is undoubtedly correct, it may need amendments for the purpose of reconciling the people to its provisions. The income derived from it has partly made up for the reduction in customs revenue.

There has been a marked increase in the number of Filipinos employed in the civil service, and a corresponding decrease in the number of Americans. The Government in every one of its departments has been rendered more efficient by elimination of undesirable material and the promotion of deserving public servants.

Improvements of harbors, roads, and bridges continue, although the cutting down of the revenue forbids the expenditure of any great amount from current income for these purposes. Steps are being taken, by advertisement for competitive bids, to secure the construction and maintenance of 1,000 miles of railway by private corporations under the recent enabling legislation of the Congress. The transfer of the friar lands, in accordance with the contract made some two years ago, has been completely effected, and the purchase money paid. Provision has just been made by statute for the speedy settlement in a special proceeding in the Supreme Court of controversies over the possession and title of church buildings and rectories arising between the Roman Catholic Church and schismatics claiming under ancient municipalities. Negotiations and hearings for the settlement of the amount due to the Roman Catholic Church for rent and occupation of churches and rectories by the army of the United States are in progress, and it is hoped a satisfactory conclusion may be submitted to the Congress before the end of the session.

Tranquillity has existed during the past year throughout the Archipelago, except in the Province of Cavite, the Province of Batangas, and the Province of Samar, and in the Island of Jolo among the Moros. The Jolo disturbance was put an end to by several sharp and short engagements, and now peace prevails in the Moro Province. Cavite, the mother of ladrones in the Spanish times, is so permeated with the traditional sympathy of the people for ladronism as to make it difficult to stamp out the disease. Batangas was only disturbed by reason of the fugitive ladrones from Cavite, Samar was thrown into disturbance by the uneducated and partly savage peoples living in the mountains, who, having been given by the municipal code more power than they were able to exercise discreetly, elected municipal officers who abused their trusts, compelled the people raising hemp to sell it at a much less price than it was worth, and by their abuses drove their people into resistance to constituted authority. Cavite and Samar are instances of reposing too much confidence in the self-governing power of a people. The disturbances have all now been suppressed, and it is hoped that with these lessons local governments can be formed which will secure quiet and peace to the deserving inhabitants. The incident is another proof of the fact that if there has been any error as regards giving self-government in the Philippines it has been in the direction of giving it too quickly, not too slowly. A year from next April the first legislative assembly for the islands will be held. On the sanity and self-restraint of this body much will depend so far as the future self-government of the islands is concerned.

The most encouraging feature of the whole situation has been the very great interest taken by the common people in education and the great increase in the number of enrolled students in the public schools. The increase was from 300,000 to half a million pupils. The average attendance is about 70 per cent. The only limit upon the number of pupils seems to be the capacity of the government to furnish teachers and school houses.

The agricultural conditions of the islands enforce more strongly than ever the argument in favor of reducing the tariff on the products of the Philippine Islands entering the United States. I earnestly recommend that the tariff now imposed by the Dingley bill upon the products of the Philippine Islands be entirely removed, except the tariff on sugar and tobacco, and that that tariff be reduced to 25 per cent. of the present rates under the Dingley act; that after July 1, 1909, the tariff upon tobacco and sugar produced in the Philippine Islands be entirely removed, and that free trade between the islands and the United States in the products of each country then be provided for by law.

A statute in force, enacted April 15, 1904, suspends the operation of the coastwise laws of the United States upon the trade between the Philippine Islands and the United States until July 1, 1906. I earnestly recommend that this suspension be postponed until July 1, 1909. I think it of doubtful utility to apply the coastwise laws to the trade between the United States and the Philippines under any circumstances, because I am convinced that it will do no good whatever to American bottoms, and will only interfere and be an obstacle to the trade between the Philippines and the United States, but if the coastwise law must be thus applied, certainly it ought not to have effect until free trade is enjoyed between the people of the United States and the people of the Philippine Islands in their respective products.

I do not anticipate that free trade between the islands and the United States will produce a revolution in the sugar and tobacco production of the Philippine Islands. So primitive are the methods of agriculture in the Philippine Islands, so slow is capital in going to the islands, so many difficulties surround a large agricultural enterprise in the islands, that it will be many, many years before the products of those islands will have any effect whatever upon the markets of the United States. The problem of labor is also a formidable one with the sugar and tobacco producers in the islands. The best friends of the Filipino people and the people themselves are utterly opposed to the admission of Chinese coolie labor. Hence the only solution is the training of Filipino labor, and this will take a long time. The enactment of a law by the Congress of the United States making provision for free trade between the islands and the United States, however, will be of great importance from a political and sentimental standpoint; and, while its actual benefit has doubtless been exaggerated by the people of the islands, they will accept this measure of justice as an indication that the people of the United States are anxious to aid the people of the Philippine Islands in every way, and especially in the agricultural development of their archipelago. It will aid the Filipinos without injuring interests in America.

In my judgment immediate steps should be taken for the fortification of Hawaii. This is the most important point in the Pacific to fortify in order to conserve the interests of this country. It would be hard to overstate the importance of this need. Hawaii is too heavily taxed. Laws should be enacted setting aside for a period of, say, twenty years 75 per cent. of the internal revenue and customs receipts from Hawaii as a special fund to be expended in the islands for educational and public buildings, and for harbor improvements and military and naval defenses. It cannot be too often repeated that our aim must be to develop the territory of Hawaii on traditional American lines. That territory has serious commercial and industrial problems to reckon with; but no measure of relief can be considered which looks to legislation admitting Chinese and restricting them by statute to field labor and domestic service. The status of servility can never again be tolerated on American soil. We cannot concede that the proper solution of its problems is special legislation admitting to Hawaii a class of laborers denied admission to the other States and Territories. There are obstacles, and great obstacles, in the way of building up a representative American community in the Hawaiian Islands; but it is not in the American character to give up in the face of difficulty. Many an American Commonwealth has been built up against odds equal to those that now confront Hawaii.

No merely half-hearted effort to meet its problems as other American communities have met theirs can be accepted as final. Hawaii shall never become a territory in which a governing class of rich planters exists by means of coolie labor. Even if the rate of growth of the Territory is thereby rendered slower, the growth must only take place by the admission of immigrants fit in the end to assume the duties and burdens of full American citizenship. Our aim must be to develop the Territory on the same basis of stable citizenship as exists on this continent.

I earnestly advocate the adoption of legislation which will explicitly confer American citizenship on all citizens of Porto Rico. There is, in my judgment, no excuse for failure to do this. The harbor of San Juan should be dredged and improved. The expenses of the Federal Court of Porto Rico should be met from the Federal Treasury and not from the Porto Rican treasury. The elections in Porto Rico should take place every four years, and the Legislature should meet in session every two years. The present form of government in Porto Rico, which provides for the appointment by the President of the members of the Executive Council or upper house of the Legislature, has proved satisfactory and has inspired confidence in property owners and investors. I do not deem it advisable at the present time to change this form in any material feature. The problems and needs of the island are industrial and commercial rather than political.

I wish to call the attention of the Congress to one question which affects our insular possessions generally; namely, the need of an increased liberality in the treatment of the whole franchise question in these islands. In the proper desire to prevent the islands being exploited by speculators and to have them develop in the interests of their own people an error has been made in refusing to grant sufficiently liberal terms to induce the investment of American capital in the Philippines and in Porto Rico. Elsewhere in this message I have spoken strongly against the jealousy of mere wealth, and especially of corporate wealth as such. But it is particularly regrettable to allow any such jealousy to be developed when we are dealing either with our insular or with foreign affairs. The big corporation has achieved its present position in the business world simply because it is the most effective instrument in business competition. In foreign affairs we cannot afford to put our people at a disadvantage with their competitors by in any way discriminating against the efficiency of our business organizations. In the same way we cannot afford to allow our insular possessions to lag behind in industrial development from any twisted jealousy of business success. It is, of course, a mere truism to say that the business interests of the islands will only be developed if it becomes the financial interest of somebody to develop them. Yet this development is one of the things most earnestly to be wished for in the interest of the islands themselves. We have been paying all possible heed to the political and educational interests of the islands, but, important though these objects are, it is not less important that we should favor their industrial development. The Government can in certain ways help this directly, as by building good roads; but the fundamental and vital help must be given through the development of the industries of the islands, and a most efficient means to this end is to encourage big American corporations to start industries in them, and this means to make it advantageous for them to do so. To limit the ownership of mining claims, as has been done in the Philippines, is absurd. In both the Philippines and Porto Rico the limit of holdings of land should be largely raised.

I earnestly ask that Alaska be given an elective delegate. Some person should be chosen who can speak with authority of the needs of the Territory. The Government should aid in the construction of a railroad from the Gulf of Alaska to the Yukon River, in American territory. In my last two messages I advocated certain additional action on behalf of Alaska. I shall not now repeat those recommendations, but I shall lay all my stress upon the one recommendation of giving to Alaska some one authorized to speak for it. I should prefer that the delegate was made elective, but if this is not deemed wise, then make him appointive. At any rate, give Alaska some person whose business it shall be to speak with authority on her behalf to the Congress. The natural resources of Alaska are great. Some of the chief needs of the peculiarly energetic, self-reliant, and typically American white population of Alaska were set forth in my last message. I also earnestly ask your attention to the needs of the Alaskan Indians. All Indians who are competent should receive the full rights of American citizenship. It is, for instance, a gross and indefensible wrong to deny to such hard-working, decent-living Indians as the Metlakahtlas the right to obtain licenses as captains, pilots, and engineers; the right to enter mining claims, and to profit by the homestead law. These particular Indians are civilized and are competent and entitled to be put on the same basis with the white men round about them.

I recommend that Indian Territory and Oklahoma be admitted as one State and that New Mexico and Arizona be admitted as one State. There is no obligation upon us to treat territorial subdivisions, which are matters of convenience only, as binding us on the question of admission to Statehood. Nothing has taken up more time in the Congress during the past few years than the question as to the Statehood to be granted to the four Territories above mentioned, and after careful consideration of all that has been developed in the discussions of the question, I recommend that they be immediately admitted as two States. There is no justification for further delay; and the advisability of making the four Territories into two States has been clearly established.

In some of the Territories the legislative assemblies issue licenses for gambling. The Congress should by law forbid this practice, the harmful results of which are obvious at a glance.

The treaty between the United States and the Republic of Panama, under which the construction of the Panama Canal was made possible, went into effect with its ratification by the United States Senate on February 23, 1904. The canal properties of the French Canal Company were transferred to the United States on April 23, 1904, on payment of $40,000,000 to that company. On April 1, 1905, the Commission was reorganized, and it now consists of Theodore P. Shonts, Chairman; Charles E. Magoon, Benjamin M. Harrod, Rear Admiral Mordecai T. Endicott, Brig. Gen. Peter C. Hains, and Col. Oswald H. Ernst. John F. Stevens was appointed Chief Engineer on July 1 last. Active work in canal construction, mainly preparatory, has been in progress for less than a year and a half. During that period two points about the canal have ceased to be open to debate: First, the question of route; the canal will be built on the Isthmus of Panama. Second, the question of feasibility; there are no physical obstacles on this route that American engineering skill will not be able to overcome without serious difficulty, or that will prevent the completion of the canal within a reasonable time and at a reasonable cost. This is virtually the unanimous testimony of the engineers who have investigated the matter for the Government.

The point which remains unsettled is the question of type, whether the canal shall be one of several locks above sea level, or at sea level with a single tide lock. On this point I hope to lay before the Congress at an early day the findings of the Advisory Board of American and European Engineers, that at my invitation have been considering the subject, together with the report of the Commission thereon, and such comments thereon or recommendations in reference thereto as may seem necessary.

The American people is pledged to the speediest possible construction of a canal adequate to meet the demands which the commerce of the world will make upon it, and I appeal most earnestly to the Congress to aid in the fulfillment of the pledge. Gratifying progress has been made during the past year, and especially during the past four months. The greater part of the necessary preliminary work has been done. Actual work of excavation could be begun only on a limited scale till the Canal Zone was made a healthful place to live in and to work in. The Isthmus had to be sanitated first. This task has been so thoroughly accomplished that yellow fever has been virtually extirpated from the Isthmus and general health conditions vastly improved. The same methods which converted the island of Cuba from a pest hole, which menaced the health of the world, into a healthful place of abode, have been applied on the Isthmus with satisfactory results. There is no reason to doubt that when the plans for water supply, paving, and sewerage of Panama and Colon and the large labor camps have been fully carried out, the Isthmus will be, for the tropics, an unusually healthy place of abode. The work is so far advanced now that the health of all those employed in canal work is as well guarded as it is on similar work in this country and elsewhere.

In addition to sanitating the Isthmus, satisfactory quarters are being provided for employes and an adequate system of supplying them with wholesome food at reasonable prices has been created. Hospitals have been established and equipped that are without their superiors of their kind anywhere. The country has thus been made fit to work in, and provision has been made for the welfare and comfort of those who are to do the work. During the past year a large portion of the plant with which the work is to be done has been ordered. It is confidently believed that by the middle of the approaching year a sufficient proportion of this plant will have been installed to enable us to resume the work of excavation on a large scale.

What is needed now and without delay is an appropriation by the Congress to meet the current and accruing expenses of the commission. The first appropriation of $10,000,000, out of the $135,000,000 authorized by the Spooner act, was made three years ago. It is nearly exhausted. There is barely enough of it remaining to carry the commission to the end of the year. Unless the Congress shall appropriate before that time all work must cease. To arrest progress for any length of time now, when matters are advancing so satisfactorily, would be deplorable. There will be no money with which to meet pay roll obligations and none with which to meet bills coming due for materials and supplies; and there will be demoralization of the forces, here and on the Isthmus, now working so harmoniously and effectively, if there is delay in granting an emergency appropriation. Estimates of the amount necessary will be found in the accompanying reports of the Secretary of War and the commission.

I recommend more adequate provision than has been made heretofore for the work of the Department of State. Within a few years there has been a very great increase in the amount and importance of the work to be done by that department, both in Washington and abroad. This has been caused by the great increase of our foreign trade, the increase of wealth among our people, which enables them to travel more generally than heretofore, the increase of American capital which is seeking investment in foreign countries, and the growth of our power and weight in the councils of the civilized world. There has been no corresponding increase of facilities for doing the work afforded to the department having charge of our foreign relations.

Neither at home nor abroad is there a sufficient working force to do the business properly. In many respects the system which was adequate to the work of twenty-five years or even ten years ago, is inadequate now, and should be changed. Our Consular force should be classified, and appointments should be made to the several classes, with authority to the Executive to assign the members of each class to duty at such posts as the interests of the service require, instead of the appointments being made as at present to specified posts. There should be an adequate inspection service, so that the department may be able to inform itself how the business of each Consulate is being done, instead of depending upon casual private information or rumor. The fee system should be entirely abolished, and a due equivalent made in salary to the officers who now eke out their subsistence by means of fees. Sufficient provision should be made for a clerical force in every Consulate, composed entirely of Americans, instead of the insufficient provision now made, which compels the employment of great numbers of citizens of foreign countries whose services can be obtained for less money. At a large part of our Consulates the office quarters and the clerical force are inadequate to the performance of the onerous duties imposed by the recent provisions of our immigration laws as well as by our increasing trade. In many parts of the world the lack of suitable quarters for our embassies, legations, and Consulates detracts from the respect in which our officers ought to be held, and seriously impairs their weight and influence.

Suitable provision should be made for the expense of keeping our diplomatic officers more fully informed of what is being done from day to day in the progress of our diplomatic affairs with other countries. The lack of such information, caused by insufficient appropriations available for cable tolls and for clerical and messenger service, frequently puts our officers at a great disadvantage and detracts from their usefulness. The salary list should be readjusted. It does not now correspond either to the importance of the service to be rendered and the degrees of ability and experience required in the different positions, or to the differences in the cost of living. In many cases the salaries are quite inadequate.

THEODORE ROOSEVELT.

SIXTH ANNUAL MESSAGE.

WHITE HOUSE, Dec. 3, 1906.

To the Senate and House of Representatives:

As a nation we still continue to enjoy a literally unprecedented prosperity; and it is probable that only reckless speculation and disregard of legitimate business methods on the part of the business world can materially mar this prosperity.

No Congress in our time has done more good work of importance than the present Congress. There were several matters left unfinished at your last session, however, which I most earnestly hope you will complete before your adjournment.

I again recommend a law prohibiting all corporations from contributing to the campaign expenses of any party. Such a bill has already past one House of Congress. Let individuals contribute as they desire; but let us prohibit in effective fashion all corporations from making contributions for any political purpose, directly or indirectly.

Another bill which has just past one House of the Congress and which it is urgently necessary should be enacted into law is that conferring upon the Government the right of appeal in criminal cases on questions of law. This right exists in many of the States; it exists in the District of Columbia by act of the Congress. It is of course not proposed that in any case a verdict for the defendant on the merits should be set aside. Recently in one district where the Government had indicted certain persons for conspiracy in connection with rebates, the court sustained the defendant's demurrer; while in another jurisdiction an indictment for conspiracy to obtain rebates has been sustained by the court, convictions obtained under it, and two defendants sentenced to imprisonment. The two cases referred to may not be in real conflict with each other, but it is unfortunate that there should even be an apparent conflict. At present there is no way by which the Government can cause such a conflict, when it occurs, to be solved by an appeal to a higher court; and the wheels of justice are blocked without any real decision of the question. I can not too strongly urge the passage of the bill in question. A failure to pass it will result in seriously hampering the Government in its effort to obtain justice, especially against wealthy individuals or corporations who do wrong; and may also prevent the Government from obtaining justice for wage-workers who are not themselves able effectively to contest a case where the judgment of an inferior court has been against them. I have specifically in view a recent decision by a district judge leaving railway employees without remedy for violation of a certain so-called labor statute. It seems an absurdity to permit a single district judge, against what may be the judgment of the immense majority of his colleagues on the bench, to declare a law solemnly enacted by the Congress to be "unconstitutional," and then to deny to the Government the right to have the Supreme Court definitely decide the question.

It is well to recollect that the real efficiency of the law often depends not upon the passage of acts as to which there is great public excitement, but upon the passage of acts of this nature as to which there is not much public excitement, because there is little public understanding of their importance, while the interested parties are keenly alive to the desirability of defeating them. The importance of enacting into law the particular bill in question is further increased by the fact that the Government has now definitely begun a policy of resorting to the criminal law in those trust and interstate commerce cases where such a course offers a reasonable chance of success. At first, as was proper, every effort was made to enforce these laws by civil proceedings; but it has become increasingly evident that the action of the Government in finally deciding, in certain cases, to undertake criminal proceedings was justifiable; and tho there have been some conspicuous failures in these cases, we have had many successes, which have undoubtedly had a deterrent effect upon evil-doers, whether the penalty inflicted was in the shape of fine or imprisonment—and penalties of both kinds have already been inflicted by the courts. Of course, where the judge can see his way to inflict the penalty of imprisonment the deterrent effect of the punishment on other offenders is increased; but sufficiently heavy fines accomplish much. Judge Holt, of the New York district court, in a recent decision admirably stated the need for treating with just severity offenders of this kind. His opinion runs in part as follows:

'The Government's evidence to establish the defendant's guilt was clear, conclusive, and undisputed. The case was a flagrant one. The transactions which took place under this illegal contract were very large; the amounts of rebates returned were considerable; and the amount of the rebate itself was large, amounting to more than one-fifth of the entire tariff charge for the transportation of merchandise from this city to Detroit. It is not too much to say, in my opinion, that if this business was carried on for a considerable time on that basis—that is, if this discrimination in favor of this particular shipper was made with an 18 instead of a 23 cent rate and the tariff rate was maintained as against their competitors—the result might be and not improbably would be that their competitors would be driven out of business. This crime is one which in its nature is deliberate and premeditated. I think over a fortnight elapsed between the date of Palmer's letter requesting the reduced rate and the answer of the railroad company deciding to grant it, and then for months afterwards this business was carried on and these claims for rebates submitted month after month and checks in payment of them drawn month after month. Such a violation of the law, in my opinion, in its essential nature, is a very much more heinous act than the ordinary common, vulgar crimes which come before criminal courts constantly for punishment and which arise from sudden passion or temptation. This crime in this case was committed by men of education and of large business experience, whose standing in the community was such that they might have been expected to set an example of obedience to law, upon the maintenance of which alone in this country the security of their property depends. It was committed on behalf of a great railroad corporation, which, like other railroad corporations, has received gratuitously from the State large and valuable privileges for the public's convenience and its own, which performs quasi public functions and which is charged with the highest obligation in the transaction of its business to treat the citizens of this country alike, and not to carry on its business with unjust discriminations between different citizens or different classes of citizens. This crime in its nature is one usually done with secrecy, and proof of which it is very difficult to obtain. The interstate commerce act was past in 1887, nearly twenty years ago. Ever since that time complaints of the granting of rebates by railroads have been common, urgent, and insistent, and altho the Congress has repeatedly past legislation endeavoring to put a stop to this evil, the difficulty of obtaining proof upon which to bring prosecution in these cases is so great that this is the first case that has ever been brought in this court, and, as I am informed, this case and one recently brought in Philadelphia are the only cases that have ever been brought in the eastern part of this country. In fact, but few cases of this kind have ever been brought in this country, East or West. Now, under these circumstances, I am forced to the conclusion, in a case in which the proof is so clear and the facts are so flagrant, it is the duty of the court to fix a penalty which shall in some degree be commensurate with the gravity of the offense. As between the two defendants, in my opinion, the principal penalty should be imposed on the corporation. The traffic manager in this case, presumably, acted without any advantage to himself and without any interest in the transaction, either by the direct authority or in accordance with what he understood to be the policy or the wishes of his employer.

"The sentence of this court in this case is, that the defendant Pomeroy, for each of the six offenses upon which he has been convicted, be fined the sum of $1,000, making six fines, amounting in all to the sum of $6,000; and the defendant, The New York Central and Hudson River Railroad Company, for each of the six crimes of which it has been convicted, be fined the sum of $18,000, making six fines amounting in the aggregate to the sum of $108,000, and judgment to that effect will be entered in this case."

In connection with this matter, I would like to call attention to the very unsatisfactory state of our criminal law, resulting in large part from the habit of setting aside the judgments of inferior courts on technicalities absolutely unconnected with the merits of the case, and where there is no attempt to show that there has been any failure of substantial justice. It would be well to enact a law providing something to the effect that:

No judgment shall be set aside or new trial granted in any cause, civil or criminal, on the ground of misdirection of the jury or the improper admission or rejection of evidence, or for error as to any matter of pleading or procedure unless, in the opinion of the court to which the application is made, after an examination of the entire cause, it shall affirmatively appear that the error complained of has resulted in a miscarriage of justice.

In my last message I suggested the enactment of a law in connection with the issuance of injunctions, attention having been sharply drawn to the matter by the demand that the right of applying injunctions in labor cases should be wholly abolished. It is at least doubtful whether a law abolishing altogether the use of injunctions in such cases would stand the test of the courts; in which case of course the legislation would be ineffective. Moreover, I believe it would be wrong altogether to prohibit the use of injunctions. It is criminal to permit sympathy for criminals to weaken our hands in upholding the law; and if men seek to destroy life or property by mob violence there should be no impairment of the power of the courts to deal with them in the most summary and effective way possible. But so far as possible the abuse of the power should be provided against by some such law as I advocated last year.

In this matter of injunctions there is lodged in the hands of the judiciary a necessary power which is nevertheless subject to the possibility of grave abuse. It is a power that should be exercised with extreme care and should be subject to the jealous scrutiny of all men, and condemnation should be meted out as much to the judge who fails to use it boldly when necessary as to the judge who uses it wantonly or oppressively. Of course a judge strong enough to be fit for his office will enjoin any resort to violence or intimidation, especially by conspiracy, no matter what his opinion may be of the rights of the original quarrel. There must be no hesitation in dealing with disorder. But there must likewise be no such abuse of the injunctive power as is implied in forbidding laboring men to strive for their own betterment in peaceful and lawful ways; nor must the injunction be used merely to aid some big corporation in carrying out schemes for its own aggrandizement. It must be remembered that a preliminary injunction in a labor case, if granted without adequate proof (even when authority can be found to support the conclusions of law on which it is founded), may often settle the dispute between the parties; and therefore if improperly granted may do irreparable wrong. Yet there are many judges who assume a matter-of-course granting of a preliminary injunction to be the ordinary and proper judicial disposition of such cases; and there have undoubtedly been flagrant wrongs committed by judges in connection with labor disputes even within the last few years, altho I think much less often than in former years. Such judges by their unwise action immensely strengthen the hands of those who are striving entirely to do away with the power of injunction; and therefore such careless use of the injunctive process tends to threaten its very existence, for if the American people ever become convinced that this process is habitually abused, whether in matters affecting labor or in matters affecting corporations, it will be well-nigh impossible to prevent its abolition.

It may be the highest duty of a judge at any given moment to disregard, not merely the wishes of individuals of great political or financial power, but the overwhelming tide of public sentiment; and the judge who does thus disregard public sentiment when it is wrong, who brushes aside the plea of any special interest when the pleading is not founded on righteousness, performs the highest service to the country. Such a judge is deserving of all honor; and all honor can not be paid to this wise and fearless judge if we permit the growth of an absurd convention which would forbid any criticism of the judge of another type, who shows himself timid in the presence of arrogant disorder, or who on insufficient grounds grants an injunction that does grave injustice, or who in his capacity as a construer, and therefore in part a maker, of the law, in flagrant fashion thwarts the cause of decent government. The judge has a power over which no review can be exercised; he himself sits in review upon the acts of both the executive and legislative branches of the Government; save in the most extraordinary cases he is amenable only at the bar of public opinion; and it is unwise to maintain that public opinion in reference to a man with such power shall neither be exprest nor led.

The best judges have ever been foremost to disclaim any immunity from criticism. This has been true since the days of the great English Lord Chancellor Parker, who said: "Let all people be at liberty to know what I found my judgment upon; that, so when I have given it in any cause, others may be at liberty to judge of *me*." The proprieties of the case were set forth with singular clearness and good temper by Judge W. H. Taft, when a United States circuit judge, eleven years ago, in 1895:

"The opportunity freely and publicly to criticize judicial action is of vastly more importance to the body politic than the immunity of courts and judges from unjust aspersions and attack. Nothing tends more to render judges careful in their decisions and anxiously solicitous to do exact justice than the consciousness that every act of theirs is to be subjected to the intelligent scrutiny and candid criticism of their fellow-men. Such criticism is beneficial in proportion as it is fair, dispassionate, discriminating, and based on a knowledge of sound legal principles. The comments made by learned text writers and by the acute editors of the various law reviews upon judicial decisions are therefore highly useful. Such critics constitute more or less impartial tribunals of professional opinion before which each judgment is made to stand or fall on its merits, and thus exert a strong influence to secure uniformity of decision. But non-professional criticism also is by no means without its uses, even if accompanied, as it often is, by a direct attack upon the judicial fairness and motives of the occupants of the bench; for if the law is but the essence of common sense, the protest of many average men may evidence a defect in a judicial conclusion, tho based on the nicest legal reasoning and profoundest learning. The two important elements of moral character in a judge are an earnest desire to reach a just conclusion and courage to enforce it. In so far as fear of public comment does not affect the courage of a judge, but only spurs him on to search his conscience and to reach the result which approves itself to his inmost heart such comment serves a useful purpose. There are few men, whether they are judges for life or for a shorter term, who do not prefer to earn and hold the respect of all, and who can not be reached and made to pause and deliberate by hostile public criticism. In the case of judges having a life tenure, indeed, their very independence makes the right freely to comment on their decisions of greater importance, because it is the only practical and available instrument in the hands of a free people to keep such judges alive to the reasonable demands of those they serve.

"On the other hand, the danger of destroying the proper influence of judicial decisions by creating unfounded prejudices against the courts justifies and requires that unjust attacks shall be met and answered. Courts must ultimately rest their defense upon the inherent strength of the opinions they deliver as the ground for their conclusions and must trust to the calm and deliberate judgment of all the people as their best vindication."

There is one consideration which should be taken into account by the good people who carry a sound proposition to an excess in objecting to any criticism of a judge's decision. The instinct of the American people as a whole is sound in this matter. They will not subscribe to the doctrine that any public servant is to be above all criticism. If the best citizens, those most competent to express their judgment in such matters, and above all those belonging to the great and honorable profession of the bar, so profoundly influential in American life, take the position that there shall be no criticism of a judge under any circumstances, their view will not be accepted by the American people as a whole. In such event the people will turn to, and tend to accept as justifiable, the intemperate and improper criticism uttered by unworthy agitators. Surely it is a misfortune to leave to such critics a function, right, in itself, which they are certain to abuse. Just and temperate criticism, when necessary, is a safeguard against the acceptance by the people as a whole of that intemperate antagonism towards the judiciary which must be combated by every right-thinking man, and which, if it became widespread among the people at large, would constitute a dire menace to the Republic.

In connection with the delays of the law, I call your attention and the attention of the Nation to the prevalence of crime among us, and above all to the epidemic of lynching and mob violence that springs up, now in one part of our country, now in another. Each section, North, South, East, or West, has its own faults; no section can with wisdom spend its time jeering at the faults of another section; it should be busy trying to amend its own shortcomings. To deal with the crime of corruption it is necessary to have an awakened public conscience, and to supplement this by whatever legislation will add speed and certainty in the execution of the law. When we deal with lynching even more is necessary. A great many white men are lynched, but the crime is peculiarly frequent in respect to black men. The greatest existing cause of lynching is the perpetration, especially by black men, of the hideous crime of rape—the most abominable in all the category of crimes, even worse than murder. Mobs frequently avenge the commission of this crime by themselves torturing to death the man committing it; thus avenging in bestial fashion a bestial deed, and reducing themselves to a level with the criminal.

Lawlessness grows by what it feeds upon; and when mobs begin to lynch for rape they speedily extend the sphere of their operations and lynch for many other kinds of crimes, so that two-thirds of the lynchings are not for rape at all; while a considerable proportion of the individuals lynched are innocent of all crime. Governor Candler, of Georgia, stated on one occasion some years ago: "I can say of a verity that I have, within the last month, saved the lives of half a dozen innocent negroes who were pursued by the mob, and brought them to trial in a court of law in which they were acquitted." As Bishop Galloway, of Mississippi, has finely said: "When the rule of a mob obtains, that which distinguishes a high civilization is surrendered. The mob which lynches a negro charged with rape will in a little while lynch a white man suspected of crime. Every Christian patriot in America needs to lift up his voice in loud and eternal protest against the mob spirit that is threatening the integrity of this Republic." Governor Jelks, of Alabama, has recently spoken as follows: "The lynching of any person for whatever crime is inexcusable anywhere—it is a defiance of orderly government; but the killing of innocent people under any provocation is infinitely more horrible; and yet innocent people are likely to die when a mob's terrible lust is once aroused. The lesson is this: No good citizen can afford to countenance a defiance of the statutes, no matter what the provocation. The innocent frequently suffer, and, it is my observation, more usually suffer than the guilty. The white people of the South indict the whole colored race on the ground that even the better elements lend no assistance whatever in ferreting out criminals of their own color. The respectable colored people must learn not to harbor their criminals, but to assist the officers in bringing them to justice. This is the larger crime, and it provokes such atrocious offenses as the one at Atlanta. The two races can never get on until there is an understanding on the part of both to make common cause with the law-abiding against criminals of any color."

Moreover, where any crime committed by a member of one race against a member of another race is avenged in such fashion that it seems as if not the individual criminal, but the whole race, is attacked, the result is to exasperate to the highest degree race feeling. There is but one safe rule in dealing with black men as with white men; it is the same rule that must be applied in dealing with rich men and poor men; that is, to treat each man, whatever his color, his creed, or his social position, with even-handed justice on his real worth as a man. White people owe it quite as much to themselves as to the colored race to treat well the colored man who shows by his life that he deserves such treatment; for it is surely the highest wisdom to encourage in the colored race all those individuals who are honest, industrious, law-abiding, and who therefore make good and safe neighbors and citizens. Reward or punish the individual on his merits as an individual. Evil will surely come in the end to both races if we substitute for this just rule the habit of treating all the members of the race, good and bad, alike. There is no question of "social equality" or "negro domination" involved; only the question of relentlessly punishing bad men, and of securing to the good man the right to his life, his liberty, and the pursuit of his happiness as his own qualities of heart, head, and hand enable him to achieve it.

Every colored man should realize that the worst enemy of his race is the negro criminal, and above all the negro criminal who commits the dreadful crime of rape; and it should be felt as in the highest degree an offense against the whole country, and against the colored race in particular, for a colored man to fail to help the officers of the law in hunting down with all possible earnestness and zeal every such infamous offender. Moreover, in my judgment, the crime of rape should always be punished with death, as is the case with murder; assault with intent to commit rape should be made a capital crime, at least in the discretion of the court; and provision should be made by which the punishment may follow immediately upon the heels of the offense; while the trial should be so conducted that the victim need not be wantonly shamed while giving testimony, and that the least possible publicity shall be given to the details.

The members of the white race on the other hand should understand that every lynching represents by just so much a loosening of the bands of civilization; that the spirit of lynching inevitably throws into prominence in the community all the foul and evil creatures who dwell therein. No man can take part in the torture of a human being without having his own moral nature permanently lowered. Every lynching means just so much moral deterioration in all the children who have any knowledge of it, and therefore just so much additional trouble for the next generation of Americans.

Let justice be both sure and swift; but let it be justice under the law, and not the wild and crooked savagery of a mob.

There is another matter which has a direct bearing upon this matter of lynching and of the brutal crime which sometimes calls it forth and at other times merely furnishes the excuse for its existence. It is out of the question for our people as a whole permanently to rise by treading down any of their own number. Even those who themselves for the moment profit by such maltreatment of their fellows will in the long run also suffer. No more shortsighted policy can be imagined than, in the fancied interest of one class, to prevent the education of another class. The free public school, the chance for each boy or girl to get a good elementary education, lies at the foundation of our whole political situation. In every community the poorest citizens, those who need the schools most, would be deprived of them if they only received school facilities proportioned to the taxes they paid. This is as true of one portion of our country as of another. It is as true for the negro as for the white man. The white man, if he is wise, will decline to allow the negroes in a mass to grow to manhood and womanhood without education. Unquestionably education such as is obtained in our public schools does not do everything towards making a man a good citizen; but it does much. The lowest and most brutal criminals, those for instance who commit the crime of rape, are in the great majority men who have had either no education or very little; just as they are almost invariably men who own no property; for the man who puts money by out of his earnings, like the man who acquires education, is usually lifted above mere brutal criminality. Of course the best type of education for the colored man, taken as a whole, is such education as is conferred in schools like Hampton and Tuskegee; where the boys and girls, the young men and young women, are trained industrially as well as in the ordinary public school branches. The graduates of these schools turn out well in the great majority of cases, and hardly any of them become criminals, while what little criminality there is never takes the form of that brutal violence which invites lynch law. Every graduate of these schools—and for the matter of that every other colored man or woman—who leads a life so useful and honorable as to win the good will and respect of those whites whose neighbor he or she is, thereby helps the whole colored race as it can be helped in no other way; for next to the negro himself, the man who can do most to help the negro is his white neighbor who lives near him; and our steady effort should be to better the relations between the two. Great tho the benefit of these schools has been to their colored pupils and to the colored people, it may well be questioned whether the benefit has not been at least as great to the white people among whom these colored pupils live after they graduate.

Be it remembered, furthermore, that the individuals who, whether from folly, from evil temper, from greed for office, or in a spirit of mere base demagogy, indulge in the inflammatory and incendiary speeches and writings which tend to arouse mobs and to bring about lynching, not only thus excite the mob, but also tend by what criminologists call "suggestion," greatly to increase the likelihood of a repetition of the very crime against which they are inveighing. When the mob is composed of the people of one race and the man lynched is of another race, the men who in their speeches and writings either excite or justify the action tend, of course, to excite a bitter race feeling and to cause the people of the opposite race to lose sight of the abominable act of the criminal himself; and in addition, by the prominence they give to the hideous deed they undoubtedly tend to excite in other brutal and depraved natures thoughts of committing it. Swift, relentless, and orderly punishment under the law is the only way by which criminality of this type can permanently be supprest.

In dealing with both labor and capital, with the questions affecting both corporations and trades unions, there is one matter more important to remember than aught else, and that is the infinite harm done by preachers of mere discontent. These are the men who seek to excite a violent class hatred against all men of wealth. They seek to turn wise and proper movements for the better control of corporations and for doing away with the abuses connected with wealth, into a campaign of hysterical excitement and falsehood in which the aim is to inflame to madness the brutal passions of mankind. The sinister demagogs and foolish visionaries who are always eager to undertake such a campaign of destruction sometimes seek to associate themselves with those working for a genuine reform in governmental and social methods, and sometimes masquerade as such reformers. In reality they are the worst enemies of the cause they profess to advocate, just as the purveyors of sensational slander in newspaper or magazine are the worst enemies of all men who are engaged in an honest effort to better what is bad in our social and governmental conditions. To preach hatred of the rich man as such, to carry on a campaign of slander and invective against him, to seek to mislead and inflame to madness honest men whose lives are hard and who have not the kind of mental training which will permit them to appreciate the danger in the doctrines preached—all this is to commit a crime against the body politic and to be false to every worthy principle and tradition of American national life. Moreover, while such preaching and such agitation may give a livelihood and a certain notoriety to some of those who take part in it, and may result in the temporary political success of others, in the long run every such movement will either fail or else will provoke a violent reaction, which will itself result not merely in undoing the mischief wrought by the demagog and the agitator, but also in undoing the good that the honest reformer, the true upholder of popular rights, has painfully and laboriously achieved. Corruption is never so rife as in communities where the demagog and the agitator bear full sway, because in such communities all moral bands become loosened, and hysteria and sensationalism replace the spirit of sound judgment and fair dealing as between man and man.. In sheer revolt against the squalid anarchy thus produced men are sure in the end to turn toward any leader who can restore order, and then their relief at being free from the intolerable burdens of class hatred, violence, and demagogy is such that they can not for some time be aroused to indignation against misdeeds by men of wealth; so that they permit a new growth of the very abuses which were in part responsible for the original outbreak. The one hope for success for our people lies in a resolute and fearless, but sane and cool-headed, advance along the path marked out last year by this very Congress. There must be a stern refusal to be misled into following either that base creature who appeals and panders to the lowest instincts and passions in order to arouse one set of Americans against their fellows, or that other creature, equally base but no baser, who in a spirit of greed, or to accumulate or add to an already huge fortune, seeks to exploit his fellow-Americans with callous disregard to their welfare of soul and body. The man who debauches others in order to obtain a high office stands on an evil equality of corruption with the man who debauches others for financial profit; and when hatred is sown the crop which springs up can only be evil.

The plain people who think—the mechanics, farmers, merchants, workers with head or hand, the men to whom American traditions are dear, who love their country and try to act decently by their neighbors, owe it to themselves to remember that the most damaging blow that can be given popular government is to elect an unworthy and sinister agitator on a platform of violence and hypocrisy. Whenever such an issue is raised in this country nothing can be gained by flinching from it, for in such case democracy is itself on trial, popular self-government under republican forms is itself on trial. The triumph of the mob is just as evil a thing as the triumph of the plutocracy, and to have escaped one danger avails nothing whatever if we succumb to the other. In the end the honest man, whether rich or poor, who earns his own living and tries to deal justly by his fellows, has as much to fear from the insincere and unworthy demagog, promising much and performing nothing, or else performing nothing but evil, who would set on the mob to plunder the rich, as from the crafty corruptionist, who, for his own ends, would permit the common people to be exploited by the very wealthy. If we ever let this Government fall into the hands of men of either of these two classes, we shall show ourselves false to America's past. Moreover, the demagog and the corruptionist often work hand in hand. There are at this moment wealthy reactionaries of such obtuse morality that they regard the public servant who prosecutes them when they violate the law, or who seeks to make them bear their proper share of the public burdens, as being even more objectionable than the violent agitator who hounds on the mob to plunder the rich. There is nothing to choose between such a reactionary and such an agitator; fundamentally they are alike in their selfish disregard of the rights of others; and it is natural that they should join in opposition to any movement of which the aim is fearlessly to do exact and even justice to all.

I call your attention to the need of passing the bill limiting the number of hours of employment of railroad employees. The measure is a very moderate one and I can conceive of no serious objection to it. Indeed, so far as it is in our power, it should be our aim steadily to reduce the number of hours of labor, with as a goal the general introduction of an eight-hour day. There are industries in which it is not possible that the hours of labor should be reduced; just as there are communities not far enough advanced for such a movement to be for their good, or, if in the Tropics, so situated that there is no analogy between their needs and ours in this matter. On the Isthmus of Panama, for instance, the conditions are in every way so different from what they are here that an eight-hour day would be absurd; just as it is absurd, so far as the Isthmus is concerned, where white labor can not be employed, to bother as to whether the necessary work is done by alien black men or by alien yellow men. But the wageworkers of the United States are of so high a grade that alike from the merely industrial standpoint and from the civic standpoint it should be our object to do what we can in the direction of securing the general observance of an eight-hour day. Until recently the eight-hour law on our Federal statute books has been very scantily observed. Now, however, largely thru the instrumentality of the Bureau of Labor, it is being rigidly enforced, and I shall speedily be able to say whether or not there is need of further legislation in reference thereto; for our purpose is to see it obeyed in spirit no less than in letter. Half holidays during summer should be established for Government employees; it is as desirable for wageworkers who toil with their hands as for salaried officials whose labor is mental that there should be a reasonable amount of holiday.

The Congress at its last session wisely provided for a truant court for the District of Columbia; a marked step in advance on the path of properly caring for the children. Let me again urge that the Congress provide for a thoro investigation of the conditions of child labor and of the labor of women in the United States. More and more our people are growing to recognize the fact that the questions which are not merely of industrial but of social importance outweigh all others; and these two questions most emphatically come in the category of those which affect in the most far-reaching way the home life of the Nation. The horrors incident to the employment of young children in factories or at work anywhere are a blot on our civilization. It is true that each State must ultimately settle the question in its own way; but a thoro official investigation of the matter, with the results published broadcast, would greatly help toward arousing the public conscience and securing unity of State action in the matter. There is, however, one law on the subject which should be enacted immediately, because there is no need for an investigation in reference thereto, and the failure to enact it is discreditable to the National Government. A drastic and thorogoing child-labor law should be enacted for the District of Columbia and the Territories.

Among the excellent laws which the Congress past at the last session was an employers' liability law. It was a marked step in advance to get the recognition of employers' liability on the statute books; but the law did not go far enough. In spite of all precautions exercised by employers there are unavoidable accidents and even deaths involved in nearly every line of business connected with the mechanic arts. This inevitable sacrifice of life may be reduced to a minimum, but it can not be completely eliminated. It is a great social injustice to compel the employee, or rather the family of the killed or disabled victim, to bear the entire burden of such an inevitable sacrifice. In other words, society shirks its duty by laying the whole cost on the victim, whereas the injury comes from what may be called the legitimate risks of the trade. Compensation for accidents or deaths due in any line of industry to the actual conditions under which that industry is carried on, should be paid by that portion of the community for the benefit of which the industry is carried on—that is, by those who profit by the industry. If the entire trade risk is placed upon the employer he will promptly and properly add it to the legitimate cost of production and assess it proportionately upon the consumers of his commodity. It is therefore clear to my mind that the law should place this entire "risk of a trade" upon the employer. Neither the Federal law, nor, as far as I am informed, the State laws dealing with the question of employers' liability are sufficiently thorogoing. The Federal law should of course include employees in navy-yards, arsenals, and the like.

The commission appointed by the President October 16, 1902, at the request of both the anthracite coal operators and miners, to inquire into, consider, and pass upon the questions in controversy in connection with the strike in the anthracite regions of Pennsylvania and the causes out of which the controversy arose, in their report, findings, and award exprest the belief "that the State and Federal governments should provide the machinery for what may be called the compulsory investigation of controversies between employers and employees when they arise." This expression of belief is deserving of the favorable consideration of the Congress and the enactment of its provisions into law. A bill has already been introduced to this end.

Records show that during the twenty years from January 1, 1881, to December 31, 1900, there were strikes affecting 117,509 establishments, and 6,105,694 employees were thrown out of employment. During the same period there were 1,005 lockouts, involving nearly 10,000 establishments, throwing over one million people out of employment. These strikes and lockouts involved an estimated loss to employees of $307,000,000 and to employers of $143,000,000, a total of $450,000,000. The public suffered directly and indirectly probably as great additional loss. But the money loss, great as it was, did not measure the anguish and suffering endured by the wives and children of employees whose pay stopt when their work stopt, or the disastrous effect of the strike or lockout upon the business of employers, or the increase in the cost of products and the inconvenience and loss to the public.

Many of these strikes and lockouts would not have occurred had the parties to the dispute been required to appear before an unprejudiced body representing the nation and, face to face, state the reasons for their contention. In most instances the dispute would doubtless be found to be due to a misunderstanding by each of the other's rights, aggravated by an unwillingness of either party to accept as true the statements of the other as to the justice or injustice of the matters in dispute. The exercise of a judicial spirit by a disinterested body representing the Federal Government, such as would be provided by a commission on conciliation and arbitration, would tend to create an atmosphere of friendliness and conciliation between contending parties; and the giving each side an equal opportunity to present fully its case in the presence of the other would prevent many disputes from developing into serious strikes or lockouts, and, in other cases, would enable the commission to persuade the opposing parties to come to terms.

In this age of great corporate and labor combinations, neither employers nor employees should be left completely at the mercy of the stronger party to a dispute, regardless of the righteousness of their respective claims. The proposed measure would be in the line of securing recognition of the fact that in many strikes the public has itself an interest which can not wisely be disregarded; an interest not merely of general convenience, for the question of a just and proper public policy must also be considered. In all legislation of this kind it is well to advance cautiously, testing each step by the actual results; the step proposed can surely be safely taken, for the decisions of the commission would not bind the parties in legal fashion, and yet would give a chance for public opinion to crystallize and thus to exert its full force for the right.

It is not wise that the Nation should alienate its remaining coal lands. I have temporarily withdrawn from settlement all the lands which the Geological Survey has indicated as containing, or in all probability containing, coal. The question, however, can be properly settled only by legislation, which in my judgment should provide for the withdrawal of these lands from sale or from entry, save in certain especial circumstances. The ownership would then remain in the United States, which should not, however, attempt to work them, but permit them to be worked by private individuals under a royalty system, the Government keeping such control as to permit it to see that no excessive price was charged consumers. It would, of course, be as necessary to supervise the rates charged by the common carriers to transport the product as the rates charged by those who mine it; and the supervision must extend to the conduct of the common carriers, so that they shall in no way favor one competitor at the expense of another. The withdrawal of these coal lands would constitute a policy analogous to that which has been followed in withdrawing the forest lands from ordinary settlement. The coal, like the forests, should be treated as the property of the public and its disposal should be under conditions which would inure to the benefit of the public as a whole.

The present Congress has taken long strides in the direction of securing proper supervision and control by the National Government over corporations engaged in interstate business—and the enormous majority of corporations of any size are engaged in interstate business. The passage of the railway rate bill, and only to a less degree the passage of the pure food bill, and the provision for increasing and rendering more effective national control over the beef-packing industry, mark an important advance in the proper direction. In the short session it will perhaps be difficult to do much further along this line; and it may be best to wait until the laws have been in operation for a number of months before endeavoring to increase their scope, because only operation will show with exactness their merits and their shortcomings and thus give opportunity to define what further remedial legislation is needed. Yet in my judgment it will in the end be advisable in connection with the packing house inspection law to provide for putting a date on the label and for charging the cost of inspection to the packers. All these laws have already justified their enactment. The interstate commerce law, for instance, has rather amusingly falsified the predictions, both of those who asserted that it would ruin the railroads and of those who asserted that it did not go far enough and would accomplish nothing. During the last five months the railroads have shown increased earnings and some of them unusual dividends; while during the same period the mere taking effect of the law has produced an unprecedented, a hitherto unheard of, number of voluntary reductions in freights and fares by the railroads. Since the founding of the Commission there has never been a time of equal length in which anything like so many reduced tariffs have been put into effect. On August 27, for instance, two days before the new law went into effect, the Commission received notices of over five thousand separate tariffs which represented reductions from previous rates.

It must not be supposed, however, that with the passage of these laws it will be possible to stop progress along the line of increasing the power of the National Government over the use of capital in interstate commerce. For example, there will ultimately be need of enlarging the powers of the Interstate Commerce Commission along several different lines, so as to give it a larger and more efficient control over the railroads.

It can not too often be repeated that experience has conclusively shown the impossibility of securing by the actions of nearly half a hundred different State legislatures anything but ineffective chaos in the way of dealing with the great corporations which do not operate exclusively within the limits of any one State. In some method, whether by a national license law or in other fashion, we must exercise, and that at an early date, a far more complete control than at present over these great corporations—a control that will among other things prevent the evils of excessive overcapitalization, and that will compel the disclosure by each big corporation of its stockholders and of its properties and business, whether owned directly or thru subsidiary or affiliated corporations. This will tend to put a stop to the securing of inordinate profits by favored individuals at the expense whether of the general public, the stockholders, or the wageworkers. Our effort should be not so much to prevent consolidation as such, but so to supervise and control it as to see that it results in no harm to the people. The reactionary or ultraconservative apologists for the misuse of wealth assail the effort to secure such control as a step toward socialism. As a matter of fact it is these reactionaries and ultraconservatives who are themselves most potent in increasing socialistic feeling. One of the most efficient methods of averting the consequences of a dangerous agitation, which is 80 per cent wrong, is to remedy the 20 per cent of evil as to which the agitation is well founded. The best way to avert the very undesirable move for the government ownership of railways is to secure by the Government on behalf of the people as a whole such adequate control and regulation of the great interstate common carriers as will do away with the evils which give rise to the agitation against them. So the proper antidote to the dangerous and wicked agitation against the men of wealth as such is to secure by proper legislation and executive action the abolition of the grave abuses which actually do obtain in connection with the business use of wealth under our present system—or rather no system—of failure to exercise any adequate control at all. Some persons speak as if the exercise of such governmental control would do away with the freedom of individual initiative and dwarf individual effort. This is not a fact. It would be a veritable calamity to fail to put a premium upon individual initiative, individual capacity and effort; upon the energy, character, and foresight which it is so important to encourage in the individual. But as a matter of fact the deadening and degrading effect of pure socialism, and especially of its extreme form communism, and the destruction of individual character which they would bring about, are in part achieved by the wholly unregulated competition which results in a single individual or corporation rising at the expense of all others until his or its rise effectually checks all competition and reduces former competitors to a position of utter inferiority and subordination.

In enacting and enforcing such legislation as this Congress already has to its credit, we are working on a coherent plan, with the steady endeavor to secure the needed reform by the joint action of the moderate men, the plain men who do not wish anything hysterical or dangerous, but who do intend to deal in resolute common-sense fashion with the real and great evils of the present system. The reactionaries and the violent extremists show symptoms of joining hands against us. Both assert, for instance, that, if logical, we should go to government ownership of railroads and the like; the reactionaries, because on such an issue they think the people would stand with them, while the extremists care rather to preach discontent and agitation than to achieve solid results. As a matter of fact, our position is as remote from that of the Bourbon reactionary as from that of the impracticable or sinister visionary. We hold that the Government should not conduct the business of the nation, but that it should exercise such supervision as will insure its being conducted in the interest of the nation. Our aim is, so far as may be, to secure, for all decent, hard working men, equality of opportunity and equality of burden.

The actual working of our laws has shown that the effort to prohibit all combination, good or bad, is noxious where it is not ineffective. Combination of capital like combination of labor is a necessary element of our present industrial system. It is not possible completely to prevent it; and if it were possible, such complete prevention would do damage to the body politic. What we need is not vainly to try to prevent all combination, but to secure such rigorous and adequate control and supervision of the combinations as to prevent their injuring the public, or existing in such form as inevitably to threaten injury—for the mere fact that a combination has secured practically complete control of a necessary of life would under any circumstances show that such combination was to be presumed to be adverse to the public interest. It is unfortunate that our present laws should forbid all combinations, instead of sharply discriminating between those combinations which do good and those combinations which do evil. Rebates, for instance, are as often due to the pressure of big shippers (as was shown in the investigation of the Standard Oil Company and as has been shown since by the investigation of the tobacco and sugar trusts) as to the initiative of big railroads. Often railroads would like to combine for the purpose of preventing a big shipper from maintaining improper advantages at the expense of small shippers and of the general public. Such a combination, instead of being forbidden by law, should be favored. In other words, it should be permitted to railroads to make agreements, provided these agreements were sanctioned by the Interstate Commerce Commission and were published. With these two conditions complied with it is impossible to see what harm such a combination could do to the public at large. It is a public evil to have on the statute books a law incapable of full enforcement because both judges and juries realize that its full enforcement would destroy the business of the country; for the result is to make decent railroad men violators of the law against their will, and to put a premium on the behavior of the wilful wrongdoers. Such a result in turn tends to throw the decent man and the wilful wrongdoer into close association, and in the end to drag down the former to the latter's level; for the man who becomes a lawbreaker in one way unhappily tends to lose all respect for law and to be willing to break it in many ways. No more scathing condemnation could be visited upon a law than is contained in the words of the Interstate Commerce Commission when, in commenting upon the fact that the numerous joint traffic associations do technically violate the law, they say: "The decision of the United States Supreme Court in the Trans-Missouri case and the Joint Traffic Association case has produced no practical effect upon the railway operations of the country. Such associations, in fact, exist now as they did before these decisions, and with the same general effect. In justice to all parties, we ought probably to add that it is difficult to see how our interstate railways could be operated with due regard to the interest of the shipper and the railway without concerted action of the kind afforded thru these associations."

This means that the law as construed by the Supreme Court is such that the business of the country can not be conducted without breaking it. I recommend that you give careful and early consideration to this subject, and if you find the opinion of the Interstate Commerce

Commission justified, that you amend the law so as to obviate the evil disclosed.

The question of taxation is difficult in any country, but it is especially difficult in ours with its Federal system of government. Some taxes should on every ground be levied in a small district for use in that district. Thus the taxation of real estate is peculiarly one for the immediate locality in which the real estate is found. Again, there is no more legitimate tax for any State than a tax on the franchises conferred by that State upon street railroads and similar corporations which operate wholly within the State boundaries, sometimes in one and sometimes in several municipalities or other minor divisions of the State. But there are many kinds of taxes which can only be levied by the General Government so as to produce the best results, because, among other reasons, the attempt to impose them in one particular State too often results merely in driving the corporation or individual affected to some other locality or other State. The National Government has long derived its chief revenue from a tariff on imports and from an internal or excise tax. In addition to these there is every reason why, when next our system of taxation is revised, the National Government should impose a graduated inheritance tax, and, if possible, a graduated income tax. The man of great wealth owes a peculiar obligation to the State, because he derives special advantages from the mere existence of government. Not only should he recognize this obligation in the way he leads his daily life and in the way he earns and spends his money, but it should also be recognized by the way in which he pays for the protection the State gives him. On the one hand, it is desirable that he should assume his full and proper share of the burden of taxation; on the other hand, it is quite as necessary that in this kind of taxation, where the men who vote the tax pay but little of it, there should be clear recognition of the danger of inaugurating any such system save in a spirit of entire justice and moderation. Whenever we, as a people, undertake to remodel our taxation system along the lines suggested, we must make it clear beyond peradventure that our aim is to distribute the burden of supporting the Government more equitably than at present; that we intend to treat rich man and poor man on a basis of absolute equality. and that we regard it as equally fatal to true democracy to do or permit injustice to the one as to do or permit injustice to the other.

I am well aware that such a subject as this needs long and careful study in order that the people may become familiar with what is proposed to be done, may clearly see the necessity of proceeding with wisdom and self-restraint, and may make up their minds just how far they are willing to go in the matter; while only trained legislators can work out the project in necessary detail. But I feel that in the near future our national legislators should enact a law providing for a graduated inheritance tax by which a steadily increasing rate of duty should be put upon all moneys or other valuables coming by gift, bequest, or devise to any individual or corporation. It may be well to make the tax heavy in proportion as the individual benefited is remote of kin. In any event, in my judgment the pro rata of the tax should increase very heavily with the increase of the amount left to any one individual after a certain point has been reached. It is most desirable to encourage thrift and ambition, and a potent source of thrift and ambition is the desire on the part of the breadwinner to leave his children well off. This object can be attained by making the tax very small on moderate amounts of property left; because the prime object should be to put a constantly increasing burden on the inheritance of those swollen fortunes which it is certainly of no benefit to this country to perpetuate.

There can be no question of the ethical propriety of the Government thus determining the conditions upon which any gift or inheritance should be received. Exactly how far the inheritance tax would, as an incident, have the effect of limiting the transmission by devise or gift of the enormous fortunes in question it is not necessary at present to discuss. It is wise that progress in this direction should be gradual. At first a permanent national inheritance tax, while it might be more substantial than any such tax has hitherto been, need not approximate, either in amount or in the extent of the increase by graduation, to what such a tax should ultimately be.

This species of tax has again and again been imposed, altho only temporarily, by the National Government. It was first imposed by the act of July 6, 1797, when the makers of the Constitution were alive and at the head of affairs. It was a graduated tax; tho small in amount, the rate was increased with the amount left to any individual, exceptions being made in the case of certain close kin. A similar tax was again imposed by the act of July 1, 1862; a minimum sum of one thousand dollars in personal property being excepted from taxation, the tax then becoming progressive according to the remoteness of kin. The war-revenue act of June 13, 1898, provided for an inheritance tax on any sum exceeding the value of ten thousand dollars, the rate of the tax increasing both in accordance with the amounts left and in accordance with the legatee's remoteness of kin. The Supreme Court has held that the succession tax imposed at the time of the Civil War was not a direct tax but an impost or excise which was both constitutional and valid. More recently the Court, in an opinion delivered by Mr. Justice White, which contained an exceedingly able and elaborate discussion of the powers of the Congress to impose death duties, sustained the constitutionality of the inheritance-tax feature of the war-revenue act of 1898.

In its incidents, and apart from the main purpose of raising revenue, an income tax stands on an entirely different footing from an inheritance tax; because it involves no question of the perpetuation of fortunes swollen to an unhealthy size. The question is in its essence a question of the proper adjustment of burdens to benefits. As the law now stands it is undoubtedly difficult to devise a national income tax which shall be constitutional. But whether it is absolutely impossible is another question; and if possible it is most certainly desirable. The first purely income-tax law was past by the Congress in 1861, but the most important law dealing with the subject was that of 1894. This the court held to be unconstitutional.

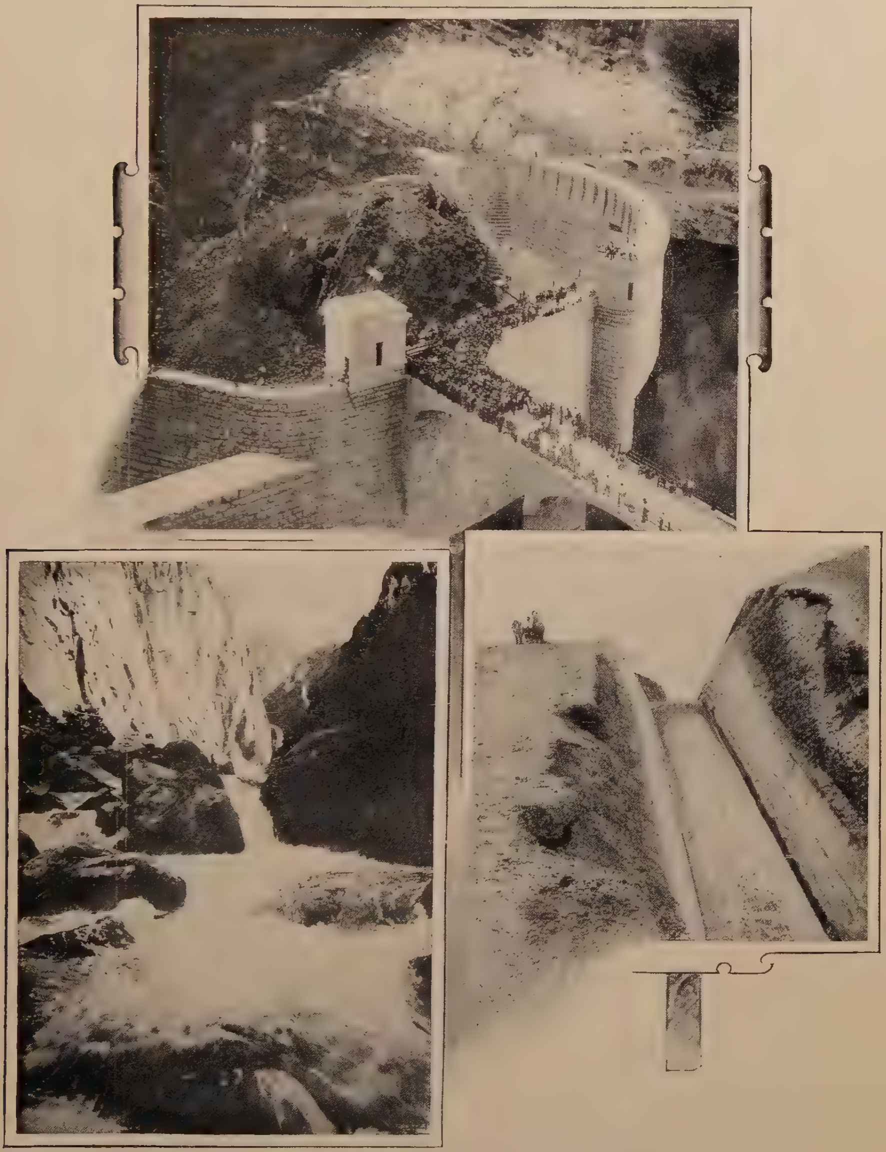
The question is undoubtedly very intricate, delicate, and troublesome. The decision of the court was only reached by one majority. It is the law of the land, and of course is accepted as such and loyally obeyed by all good citizens. Nevertheless, the hesitation evidently felt by the court as a whole in coming to a conclusion, when considered together with the previous decisions on the subject, may perhaps indicate the possibility of devising a constitutional income-tax law which shall substantially accomplish the results aimed at. The difficulty of amending the Constitution is so great that only real necessity can justify a resort thereto. Every effort should be made in dealing with this subject, as with the subject of the proper control by the National Government over the use of corporate wealth in interstate business, to devise legislation which without such action shall attain the desired end; but if this fails, there will ultimately be no alternative to a constitutional amendment.

It would be impossible to overstate (tho it is of course difficult quantitatively to measure) the effect upon a nation's growth to greatness of what may be called organized patriotism, which necessarily includes the substitution of a national feeling for mere local pride; with as a resultant a high ambition for the whole country. No country can develop its full strength so long as the parts which make up the whole each put a feeling of loyalty to the part above the feeling of loyalty to the whole. This is true of sections and it is just as true of classes. The industrial and agricultural classes must work together, capitalists and wageworkers must work together, if the best work of which the country is capable is to be done. It is probable that a thoroly efficient system of education comes next to the influence of patriotism in bringing about national success of this kind. Our federal form of government, so fruitful of advantage to our people in certain ways, in other ways undoubtedly limits our national effectiveness. It is not possible, for instance, for the National Government to take the lead in technical industrial education, to see that the public school system of this country develops on all its technical, industrial, scientific, and commercial sides. This must be left primarily to the several States. Nevertheless, the National Government has control of the schools of the District of Columbia, and it should see that these schools promote and encourage the fullest development of the scholars in both commercial and industrial training. The commercial training should in one of its branches deal with foreign trade. The industrial training is even more important. It should be one of our prime objects as a Nation, so far as feasible, constantly to work toward putting the mechanic, the wageworker who works with his hands, on a higher plane of efficiency and reward, so as to increase his effectiveness in the economic world, and the dignity, the remuneration, and the power of his position in the social world. Unfortunately, at present the effect of some of the work in the public schools is in the exactly opposite direction. If boys and girls are trained merely in literary accomplishments, to the total exclusion of industrial, manual, and technical training, the tendency is to unfit them for industrial work and to make them reluctant to go into it, or unfitted to do well if they do go into it. This is a tendency which should be strenuously combated. Our industrial development depends largely upon technical education, including in this term all industrial education, from that which fits a man to be a good mechanic, a good carpenter, or blacksmith, tc that which fits a man to do the greatest engineering feat. The skilled mechanic, the skilled workman, can best become such by technical industrial education. The far-reaching usefulness of institutes of technology and schools of mines or of engineering is now universally acknowledged, and no less far-reaching is the effect of a good building or mechanical trades school, a textile, or watchmaking, or engraving school. All such training must develop not only manual dexterity but industrial intelligence. In international rivalry this country does not have to fear the competition of pauper labor as much as it has to fear the educated labor of specially trained competitors; and we should have the education of the hand, eye, and brain which will fit us to meet such competition.

In every possible way we should help the wageworker who toils with his hands and who must (we hope in a constantly increasing measure) also toil with his brain. Under the Constitution the National Legislature can do but little of direct importance for his welfare save where he is engaged in work which permits it to act under the interstate commerce clause of the Constitution; and this is one reason why I so earnestly hope that both the legislative and judicial branches of the Government will construe this clause of the Constitution in the broadest possible manner. We can, however, in such a matter as industrial training, in such a matter as child labor and factory laws, set an example to the States by enacting the most advanced legislation that can wisely be enacted for the District of Columbia.

The only other persons whose welfare is as vital to the welfare of the whole country as is the welfare of the wageworkers are the tillers of the soil, the farmers. It is a mere truism to say that no growth of cities, no growth of wealth, no industrial development can atone for any falling off in the character and standing of the farming population. During the last few decades this fact has been recognized with ever-increasing clearness. There is no longer any failure to realize that farming, at least in certain branches, must become a technical and scientific profession. This means that there must be open to farmers the chance for technical and scientific training, not theoretical merely but of the most severely practical type. The farmer represents a peculiarly high type of American citizenship, and he must have the same chance to rise and develop as other American citizens have. Moreover, it is exactly as true of the farmer, as it is of the business man and the wageworker, that the ultimate success of the Nation of which he forms a part must be founded not alone on material prosperity but upon high moral, mental, and physical development. This education of the farmer—self-education by preference, but also education from the outside, as with all other men—is peculiarly necessary here in the United States, where the frontier conditions even in the newest States have now nearly vanished, where there must be a substitution of a more intensive system of cultivation for the old wasteful farm management, and where there must be a better business organization among the farmers themselves.

Several factors must cooperate in the improvement of the farmer's condition. He must have the chance to be educated in the widest possible sense—in the sense which keeps ever in view the intimate relationship between the theory of education and the facts of life. In all education we should widen our aims. It is a good thing to produce a certain number of trained scholars and students; but the education superintended by the State must seek rather to produce a hundred good citizens than merely one scholar, and it must be turned now and then from the class book to the study of the great book of nature itself. This is especially true of the farmer, as has been pointed out again and again by all observers most competent to pass practical judgment on the problems of our country life. All students now realize that education must seek to train the executive powers of young people and to confer more real significance upon the phrase "dignity of labor," and to prepare the pupils so that, in addition to each developing in the highest degree his individual capacity for work,



WASTED—HARNESSED—UTILIZED

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Monumental works like the Roosevelt Dam, shown in the upper panel, are constructed by the Federal Government under the Reclamation Act of 1902.

The receipts from sales of public land in the sixteen most interested States of the West are set aside for this purpose.

The lower left-hand panel shows the stream rushing through the canyon which it has worn in the mountains, with not a single green thing to be seen in the desert landscape. Above is the work of man's hand, by which the mighty forces of nature are made to do his will. At the right is a sluice conveying a part of the water to the parched plains, in order that man may create wealth in the desert.

Irrigation in the West is a word to conjure with; but the East is equally interested, as the fertilization of the vast tracts of unproducing western lands will increase the national food supply and will affect the cost of living materially.

The articles, "Irrigation," "Forest Reserve," "Conservation Commission," and "Lands, Public," in the encyclopedic index (volume eleven), will give the reader a thorough comprehension of the Government's activity in this field.

they may together help create a right public opinion, and show in many ways social and cooperative spirit. Organization has become necessary in the business world; and it has accomplished much for good in the world of labor. It is no less necessary for farmers. Such a movement as the grange movement is good in itself and is capable of a well-nigh infinite further extension for good so long as it is kept to its own legitimate business. The benefits to be derived by the association of farmers for mutual advantage are partly economic and partly sociological.

Moreover, while in the long run voluntary efforts will prove more efficacious than government assistance, while the farmers must primarily do most for themselves, yet the Government can also do much. The Department of Agriculture has broken new ground in many directions, and year by year it finds how it can improve its methods and develop fresh usefulness. Its constant effort is to give the governmental assistance in the most effective way; that is, thru associations of farmers rather than to or thru individual farmers. It is also striving to coordinate its work with the agricultural departments of the several States, and so far as its own work is educational to coordinate it with the work of other educational authorities. Agricultural education is necessarily based upon general education, but our agricultural educational institutions are wisely specializing themselves, making their courses relate to the actual teaching of the agricultural and kindred sciences to young country people or young city people who wish to live in the country.

Great progress has already been made among farmers by the creation of farmers' institutes, of dairy associations, of breeders' associations, horticultural associations, and the like. A striking example of how the Government and the farmers can cooperate is shown in connection with the menace offered to the cotton growers of the Southern States by the advance of the boll weevil. The Department is doing all it can to organize the farmers in the threatened districts, just as it has been doing all it can to organize them in aid of its work to eradicate the cattle fever tick in the South. The Department can and will cooperate with all such associations, and it must have their help if its own work is to be done in the most efficient style.

Much is now being done for the States of the Rocky Mountains and Great Plains thru the development of the national policy of irrigation and forest preservation; no Government policy for the betterment of our internal conditions has been more fruitful of good than this. The forests of the White Mountains and Southern Appalachian regions should also be preserved; and they can not be unless the people of the States in which they lie, thru their representatives in the Congress, secure vigorous action by the National Government.

I invite the attention of the Congress to the estimate of the Secretary of War for an appropriation to enable him to begin the preliminary work for the construction of a memorial amphitheater at Arlington. The Grand Army of the Republic in its national encampment has urged the erection of such an amphitheater as necessary for the proper observance of Memorial Day and as a fitting monument to the soldier and sailor dead buried there. In this I heartily concur and commend the matter to the favorable consideration of the Congress.

I am well aware of how difficult it is to pass a constitutional amendment. Nevertheless in my judgment the whole question of marriage and divorce should be relegated to the authority of the National Congress. At present the wide differences in the laws of the different States on this subject result in scandals and abuses; and surely there is nothing so vitally essential to the welfare of the nation, nothing around which the nation should so bend itself to throw every safeguard, as the home life of the average citizen. The change would be good from every standpoint. In particular it would be good because it would confer on the Congress the power at once to deal radically and efficiently with polygamy; and this should be done whether or not marriage and divorce are dealt with. It is neither safe nor proper to leave the question of polygamy to be dealt with by the several States. Power to deal with it should be conferred on the National Government.

When home ties are loosened; when men and women cease to regard a worthy family life, with all its duties fully performed, and all its responsibilities lived up to, as the life best worth living; then evil days for the commonwealth are at hand. There are regions in our land, and classes of our population, where the birth rate has sunk below the death rate. Surely it should need no demonstration to show that wilful sterility is, from the standpoint of the nation, from the standpoint of the human race, the one sin for which the penalty is national death, race death; a sin for which there is no atonement; a sin which is the more dreadful exactly in proportion as the men and women guilty thereof are in other respects, in character, and bodily and mental powers, those whom for the sake of the state it would be well to see the fathers and mothers of many healthy children, well brought up in homes made happy by their presence. No man, no woman, can shirk the primary duties of life, whether for love of ease and pleasure, or for any other cause, and retain his or her self-respect.

Let me once again call the attention of the Congress to two subjects concerning which I have frequently before communicated with them. One is the question of developing American shipping. I trust that a law embodying in substance the views, or a major part of the views, exprest in the report on this subject laid before the House at its last session will be past. I am well aware that in former years objectionable measures have been proposed in reference to the encouragement of American shipping; but it seems to me that the proposed measure is as nearly unobjectionable as any can be. It will of course benefit primarily our seaboard States, such as Maine, Louisiana, and Washington; but what benefits part of our people in the end benefits all; just as Government aid to irrigation and forestry in the West is really of benefit, not only to the Rocky Mountain States, but to all our country. If it prove impracticable to enact a law for the encouragement of shipping generally, then at least provision should be made for better communication with South America, notably for fast mail lines to the chief South American ports. It is discreditable to us that our business people, for lack of direct communication in the shape of lines of steamers with South America, should in that great sister continent be at a disadvantage compared to the business people of Europe.

I especially call your attention to the second subject, the condition of our currency laws. The national bank act has ably served a great purpose in aiding the enormous business development of the country; and within ten years there has been an increase in circulation per capita from $21.41 to $33.08. For several years evidence has been accumulating that additional legislation is needed. The recurrence of each crop season emphasizes the defects of the present laws. There must soon be a revision of them, because to leave them as they are means to incur liability of business disaster. Since your body adjourned there has been a fluctuation in the interest on call money from 2 per cent to 30 per cent; and the fluctuation was even greater during the preceding six months. The Secretary of the Treasury had to step in and by wise action put a stop to the most violent period of oscillation. Even worse than such fluctuation is the advance in commercial rates and the uncertainty felt in the sufficiency of credit even at high rates. All commercial interests suffer during each crop period. Excessive rates for call money in New York attract money from the interior banks into the speculative field; this depletes the fund that would otherwise be available for commercial uses, and commercial borrowers are forced to pay abnormal rates; so that each fall a tax, in the shape of increased interest charges, is placed on the whole commerce of the country.

The mere statement of these facts shows that our present system is seriously defective. There is need of a change. Unfortunately, however, many of the proposed changes must be ruled from consideration because they are complicated, are not easy of comprehension, and tend to disturb existing rights and interests. We must also rule out any plan which would materially impair the value of the United States

2 per cent bonds now pledged to secure circulation, the issue of which was made under conditions peculiarly creditable to the Treasury. I do not press any especial plan. Various plans have recently been proposed by expert committees of bankers. Among the plans which are possibly feasible and which certainly should receive your consideration is that repeatedly brought to your attention by the present Secretary of the Treasury, the essential features of which have been approved by many prominent bankers and business men. According to this plan national banks should be permitted to issue a specified proportion of their capital in notes of a given kind, the issue to be taxed at so high a rate as to drive the notes back when not wanted in legitimate trade. This plan would not permit the issue of currency to give banks additional profits, but to meet the emergency presented by times of stringency.

I do not say that this is the right system. I only advance it to emphasize my belief that there is need for the adoption of some system which shall be automatic and open to all sound banks, so as to avoid all possibility of discrimination and favoritism. Such a plan would tend to prevent the spasms of high money and speculation which now obtain in the New York market; for at present there is too much currency at certain seasons of the year, and its accumulation at New York tempts bankers to lend it at low rates for speculative purposes; whereas at other times when the crops are being moved there is urgent need for a large but temporary increase in the currency supply. It must never be forgotten that this question concerns business men generally quite as much as bankers; especially is this true of stockmen, farmers, and business men in the West; for at present at certain seasons of the year the difference in interest rates between the East and the West is from 6 to 10 per cent, whereas in Canada the corresponding difference is but 2 per cent. Any plan must, of course, guard the interests of western and southern bankers as carefully as it guards the interests of New York or Chicago bankers; and must be drawn from the standpoints of the farmer and the merchant no less than from the standpoints of the city banker and the country banker.

The law should be amended so as specifically to provide that the funds derived from customs duties may be treated by the Secretary of the Treasury as he treats funds obtained under the internal-revenue laws. There should be a considerable increase in bills of small denominations. Permission should be given banks, if necessary under settled restrictions, to retire their circulation to a larger amount than three millions a month.

I most earnestly hope that the bill to provide a lower tariff for or else absolute free trade in Philippine products will become a law. No harm will come to any American industry; and while there will be some small but real material benefit to the Filipinos, the main benefit will come by the showing made as to our purpose to do all in our power for their welfare. So far our action in the Philippines has been abundantly justified, not mainly and indeed not primarily because of the added dignity it has given us as a nation by proving that we are capable honorably and efficiently to bear the international burdens which a mighty people should bear, but even more because of the immense benefit that has come to the people of the Philippine Islands. In these islands we are steadily introducing both liberty and order, to a greater degree than their people have ever before known. We have secured justice. We have provided an efficient police force, and have put down ladronism. Only in the islands of Leyte and Samar is the authority of our Government resisted and this by wild mountain tribes under the superstitious inspiration of fakirs and pseudo-religious leaders. We are constantly increasing the measure of liberty accorded the islanders, and next spring, if conditions warrant, we shall take a great stride forward in testing their capacity for self-government by summoning the first Filipino legislative assembly; and the way in which they stand this test will largely determine whether the self-government thus granted will be increased or decreased; for if we have erred at all in the Philippines it has been in proceeding too rapidly in the direction of granting a large measure of self-government. We are building roads. We have, for the immeasurable good of the people, arranged for the building of railroads. Let us also see to it that they are given free access to our markets. This nation owes no more imperative duty to itself and mankind than the duty of managing the affairs of all the islands under the American flag—the Philippines, Porto Rico, and Hawaii—so as to make it evident that it is in every way to their advantage that the flag should fly over them.

American citizenship should be conferred on the citizens of Porto Rico. The harbor of San Juan in Porto Rico should be dredged and improved. The expenses of the federal court of Porto Rico should be met from the Federal Treasury. The administration of the affairs of Porto Rico, together with those of the Philippines, Hawaii, and our other insular possessions, should all be directed under one executive department; by preference the Department of State or the Department of War.

The needs of Hawaii are peculiar; every aid should be given the islands; and our efforts should be unceasing to develop them along the lines of a community of small freeholders, not of great planters with coolie-tilled estates. Situated as this Territory is, in the middle of the Pacific, there are duties imposed upon this small community which do not fall in like degree or manner upon any other American community. This warrants our treating it differently from the way in which we treat Territories contiguous to or surrounded by sister Territories or other States, and justifies the setting aside of a portion of our revenues to be expended for educational and internal improvements therein. Hawaii is now making an effort to secure immigration fit in the end to assume the duties and burdens of full American citizenship, and whenever the leaders in the various industries of those islands finally adopt our ideals and heartily join our administration in endeavoring to develop a middle class of substantial citizens, a way will then be found to deal with the commercial and industrial problems which now appear to them so serious. The best Americanism is that which aims for stability and permanency of prosperous citizenship, rather than immediate returns on large masses of capital.

Alaska's needs have been partially met, but there must be a complete reorganization of the governmental system, as I have before indicated to you. I ask your especial attention to this. Our fellow-citizens who dwell on the shores of Puget Sound with characteristic energy are arranging to hold in Seattle the Alaska Yukon Pacific Exposition. Its special aims include the upbuilding of Alaska and the development of American commerce on the Pacific Ocean. This exposition, in its purposes and scope, should appeal not only to the people of the Pacific slope, but to the people of the United States at large. Alaska since it was bought has yielded to the Government eleven millions of dollars of revenue, and has produced nearly three hundred millions of dollars in gold, furs, and fish. When properly developed it will become in large degree a land of homes. The countries bordering the Pacific Ocean have a population more numerous than that of all the countries of Europe; their annual foreign commerce amounts to over three billions of dollars, of which the share of the United States is some seven hundred millions of dollars. If this trade were thoroly understood and pushed by our manufacturers and producers, the industries not only of the Pacific slope, but of all our country, and particularly of our cotton-growing States, would be greatly benefited. Of course, in order to get these benefits, we must treat fairly the countries with which we trade.

It is a mistake, and it betrays a spirit of foolish cynicism, to maintain that all international governmental action is, and must ever be, based upon mere selfishness, and that to advance ethical reasons for such action is always a sign of hypocrisy. This is no more necessarily true of the action of governments than of the action of individuals. It is a sure sign of a base nature always to ascribe base motives for the actions of others. Unquestionably no nation can afford to disregard proper considerations of self-interest, any more than a private individual can so do. But it is equally true that the average private individual in any really decent community does many actions with reference to other men in which he is guided, not by self-interest, but by public spirit, by regard for the rights of others, by a disinterested purpose to do good to others, and to raise the tone of the community as a whole. Similarly, a really great nation must often act, and as a matter of fact often does act, toward other nations in a spirit not in the least of mere self-interest, but paying heed chiefly to ethical reasons; and as the centuries go by this disinterestedness in international action, this tendency of the individuals comprizing a nation to require that nation to act with justice toward its neighbors, steadily grows and strengthens. It is neither wise nor right for a nation to disregard its own needs, and it is foolish --and may be wicked—to think that other nations will disregard theirs. But it is wicked for a nation only to regard its own interest, and foolish to believe that such is the sole motive that actuates any other nation. It should be our steady aim to raise the ethical standard of national action just as we strive to raise the ethical standard of individual action.

Not only must we treat all nations fairly, but we must treat with justice and good will all immigrants who come here under the law. Whether they are Catholic or Protestant, Jew or Gentile; whether they come from England or Germany, Russia, Japan, or Italy, matters nothing. All we have a right to question is the man's conduct. If he is honest and upright in his dealings with his neighbor and with the State, then he is entitled to respect and good treatment. Especially do we need to remember our duty to the stranger within our gates. It is the sure mark of a low civilization, a low morality, to abuse or discriminate against or in any way humiliate such stranger who has come here lawfully and who is conducting himself properly. To remember this is incumbent on every American citizen, and it is of course peculiarly incumbent on every Government official, whether of the nation or of the several States.

I am prompted to say this by the attitude of hostility here and there assumed toward the Japanese in this country. This hostility is sporadic and is limited to a very few places. Nevertheless, it is most discreditable to us as a people, and it may be fraught with the gravest consequences to the nation. The friendship between the United States and Japan has been continuous since the time, over half a century ago, when Commodore Perry, by his expedition to Japan, first opened the islands to western civilization. Since then the growth of Japan has been literally astounding. There is not only nothing to parallel it, but nothing to approach it in the history of civilized mankind. Japan has a glorious and ancient past. Her civilization is older than that of the nations of northern Europe—the nations from whom the people of the United States have chiefly sprung. But fifty years ago Japan's development was still that of the Middle Ages. During that fifty years the progress of the country in every walk in life has been a marvel to mankind, and she now stands as one of the greatest of civilized nations; great in the arts of war and in the arts of peace; great in military, in industrial, in artistic development and achievement. Japanese soldiers and sailors have shown themselves equal in combat to any of whom history makes note. She has produced great generals and mighty admirals; her fighting men, afloat and ashore, show all the heroic courage, the unquestioning, unfaltering loyalty, the splendid indifference to hardship and death, which marked the Loyal Ronins; and they show also that they possess the highest ideal of patriotism. Japanese artists of every kind see their products eagerly sought for in all lands. The industrial and commercial development of Japan has been phenomenal; greater than that of any other country during the same period. At the same time the advance in science and philosophy is no less marked. The admirable management of the Japanese Red Cross during the late war, the efficiency and humanity of the Japanese officials, nurses, and doctors, won the respectful admiration of all acquainted with the facts. Thru the Red Cross the Japanese people sent over $100,000 to the sufferers of San Francisco, and the gift was accepted with gratitude by our people. The courtesy of the Japanese, nationally and individually, has become proverbial. To no other country has there been such an increasing number of visitors from this land as to Japan. In return, Japanese have come here in great numbers. They are welcome, socially and intellectually, in all our colleges and institutions of higher learning, in all our professional and social bodies. The Japanese have won in a single generation the right to stand abreast of the foremost and most enlightened peoples of Europe and America; they have won on their own merits and by their own exertions the right to treatment on a basis of full and frank equality. The overwhelming mass of our people cherish a lively regard and respect for the people of Japan, and in almost every quarter of the Union the stranger from Japan is treated as he deserves; that is, he is treated as the stranger from any part of civilized Europe is and deserves to be treated. But here and there a most unworthy feeling has manifested itself toward the Japanese—the feeling that has been shown in shutting them out from the common schools in San Francisco, and in mutterings against them in one or two other places, because of their efficiency as workers. To shut them out from the public schools is a wicked absurdity, when there are no first-class colleges in the land, including the universities and colleges of California, which do not gladly welcome Japanese students and on which Japanese students do not reflect credit. We have as much to learn from Japan as Japan has to learn from us; and no nation is fit to teach unless it is also willing to learn. Thruout Japan Americans are well treated, and any failure on the part of Americans at home to treat the Japanese with a like courtesy and consideration is by just so much a confession of inferiority in our civilization.

Our nation fronts on the Pacific, just as it fronts on the Atlantic. We hope to play a constantly growing part in the great ocean of the Orient. We wish, as we ought to wish, for a great commercial development in our dealings with Asia; and it is out of the question that we should permanently have such development unless we freely and gladly extend to other nations the same measure of justice and good treatment which we expect to receive in return. It is only a very small body of our citizens that act badly. Where the Federal Government has power it will deal summarily with any such. Where the several States have power I earnestly ask that they also deal wisely and promptly with such conduct, or else this small body of wrongdoers may bring shame upon the great mass of their innocent and right-thinking fellows—that is, upon our nation as a whole. Good manners should be an international no less than an individual attribute. I ask fair treatment for the Japanese as I would ask fair treatment for Germans or Englishmen, Frenchmen, Russians, or Italians. I ask it as due to humanity and civilization. I ask it as due to ourselves because we must act uprightly toward all men.

I recommend to the Congress that an act be past specifically providing for the naturalization of Japanese who come here intending to become American citizens. One of the great embarrassments attending the performance of our international obligations is the fact that the Statutes of the United States are entirely inadequate. They fail to give to the National Government sufficiently ample power, thru United States courts and by the use of the Army and Navy, to protect aliens in the rights secured to them under solemn treaties which are the law of the land. I therefore earnestly recommend that the criminal and civil statutes of the United States be so amended and added to as to enable the President, acting for the United States Government, which is responsible in our international relations, to enforce the rights of aliens under treaties. Even as the law now is something can be done by the Federal Government toward this end, and in the matter now before me affecting the Japanese everything that it is in my power to do will be done, and all of the forces, military and civil, of the United States which I may lawfully employ will be so employed. There should, however, be no particle of doubt as to the power of the National Government completely to perform and enforce its own obligations to other nations. The mob of a single city may at any time perform acts of lawless violence against some class of foreigners which would plunge us into war. That city by itself would be powerless to make defense against the foreign power thus assaulted, and if independent of this Government it would never venture to perform or permit the performance of the acts complained of. The entire power and the whole duty to protect the offending city or the offending community lies in the hands of the United States Government. It is unthinkable that we should continue a policy under which a given locality may be allowed to commit a crime against a friendly nation, and the United States Government limited, not to preventing the commission of the crime, but, in the last resort, to defending the people who have committed it against the consequences of their own wrongdoing.

Last August an insurrection broke out in Cuba which it speedily grew evident that the existing Cuban Government was powerless to quell. This Government was repeatedly asked by the then Cuban Government to intervene, and finally was notified by the President of Cuba that he intended to resign; that his decision was irrevocable; that none of the other constitutional officers would consent to carry on the Government, and that he was powerless to maintain order. It was evident that chaos was impending, and there was every probability that if steps were not immediately taken by this Government to try to restore order the representatives of various European nations in the island would apply to their respective governments for armed intervention in order to protect the lives and property of their citizens. Thanks to the preparedness of our Navy, I was able immediately to send enough ships to Cuba to prevent the situation from becoming hopeless; and I furthermore dispatched to Cuba the Secretary of War and the Assistant Secretary of State, in order that they might grapple with the situation on the ground. All efforts to secure an agreement between the contending factions, by which they should themselves come to an amicable understanding and settle upon some modus vivendi—some provisional government of their own—failed. Finally the President of the Republic resigned. The quorum of Congress assembled failed by deliberate purpose of its members, so that there was no power to act on his resignation, and the Government came to a halt. In accordance with the so-called Platt amendment, which was embodied in the constitution of Cuba, I thereupon proclaimed a provisional government for the island, the Secretary of War acting as provisional governor until he could be replaced by Mr. Magoon, the late minister to Panama and governor of the Canal Zone on the Isthmus; troops were sent to support them and to relieve the Navy, the expedition being handled with most satisfactory speed and efficiency. The insurgent chiefs immediately agreed that their troops should lay down their arms and disband; and the agreement was carried out. The provisional government has left the personnel of the old government and the old laws, so far as might be, unchanged, and will thus administer the island for a few months until tranquillity can be restored, a new election properly held, and a new government inaugurated. Peace has come in the island; and the harvesting of the sugar-cane crop, the great crop of the island, is about to proceed.

When the election has been held and the new government inaugurated in peaceful and orderly fashion the provisional government will come to an end. I take this opportunity of expressing upon behalf of the American people, with all possible solemnity, our most earnest hope that the people of Cuba will realize the imperative need of preserving justice and keeping order in the Island. The United States wishes nothing of Cuba except that it shall prosper morally and materially, and wishes nothing of the Cubans save that they shall be able to preserve order among themselves and therefore to preserve their independence. If the elections become a farce, and if the insurrectionary habit becomes confirmed in the Island, it is absolutely out of the question that the Island should continue independent; and the United States, which has assumed the sponsorship before the civilized world for Cuba's career as a nation, would again have to intervene and to see that the government was managed in such orderly fashion as to secure the safety of life and property. The path to be trodden by those who exercise self-government is always hard, and we should have every charity and patience with the Cubans as they tread this difficult path. I have the utmost sympathy with, and regard for, them; but I most earnestly adjure them solemnly to weigh their responsibilities and to see that when their new government is started it shall run smoothly, and with freedom from flagrant denial of right on the one hand, and from insurrectionary disturbances on the other.

The Second International Conference of American Republics, held in Mexico in the years 1901-2, provided for the holding of the third conference within five years, and committed the fixing of the time and place and the arrangements for the conference to the governing board of the Bureau of American Republics, composed of the representatives of all the American nations in Washington. That board discharged the duty imposed upon it with marked fidelity and painstaking care, and upon the courteous invitation of the United States of Brazil the conference was held at Rio de Janeiro, continuing from the 23d of July to the 29th of August last. Many subjects of common interest to all the American nations were discust by the conference, and the conclusions reached, embodied in a series of resolutions and proposed conventions, will be laid before you upon the coming in of the final report of the American delegates. They contain many matters of importance relating to the extension of trade, the increase of communication, the smoothing away of barriers to free intercourse, and the promotion of a better knowlege and good understanding between the different countries represented. The meetings of the conference were harmonious and the conclusions were reached with substantial unanimity. It is interesting to observe that in the successive conferences which have been held the representatives of the different American nations have been learning to work together effectively, for, while the First Conference in Washington in 1889, and the Second Conference in Mexico in 1901-2, occupied many months, with much time wasted in an unregulated and fruitless discussion, the Third Conference at Rio exhibited much of the facility in the practical dispatch of business which characterizes permanent deliberative bodies, and completed its labors within the period of six weeks originally allotted for its sessions.

Quite apart from the specific value of the conclusions reached by the conference, the example of the representatives of all the American nations engaging in harmonious and kindly consideration and discussion of subjects of common interest is itself of great and substantial value for the promotion of reasonable and considerate treatment of all international questions. The thanks of this country are due to the Government of Brazil and to the people of Rio de Janeiro for the generous hospitality with which our delegates, in common with the others, were received, entertained, and facilitated in their work.

Incidentally to the meeting of the conference, the Secretary of State visited the city of Rio de Janeiro and was cordially received by the conference, of which he was made an honorary president. The announcement of his intention to make this visit was followed by most courteous and urgent invitations from nearly all the countries of South America to visit them as the guest of their Governments. It was deemed that by the acceptance of these invitations we might appropriately express the real respect and friendship in which we hold our sister Republics of the southern continent, and the Secretary, accordingly, visited Brazil, Uruguay, Argentina, Chile, Peru, Panama, and Colombia. He refrained from visiting Paraguay, Bolivia, and Ecuador only because the distance of their capitals from the seaboard made it impracticable with the time at his disposal. He carried with him a message of peace and friendship, and of strong desire for good understanding and mutual helpfulness; and he was everywhere received in the spirit of his message. The members of government, the press, the learned professions, the men of business, and the great masses of the people united everywhere in emphatic response to his friendly expressions and in doing honor to the country and cause which he represented.

In many parts of South America there has been much misunderstanding of the attitude and purposes of the United States towards the other American Republics. An idea had become prevalent that our assertion of the Monroe Doctrine implied, or carried with it, an assumption of superiority, and of a right to exercise some kind of protectorate over the countries to whose territory that doctrine applies.

Nothing could be farther from the truth. Yet that impression continued to be a serious barrier to good understanding, to friendly intercourse, to the introduction of American capital and the extension of American trade. The impression was so widespread that apparently it could not be reached by any ordinary means.

It was part of Secretary Root's mission to dispel this unfounded impression, and there is just cause to believe that he has succeeded. In an address to the Third Conference at Rio on the 31st of July—an address of such note that I send it in, together with this message—he said:

"We wish for no victories but those of peace; for no territory except our own; for no sovereignty except the sovereignty over ourselves. We deem the independence and equal rights of the smallest and weakest member of the family of nations entitled to as much respect as those of the greatest empire, and we deem the observance of that respect the chief guaranty of the weak against the oppression of the strong. We neither claim nor desire any rights or privileges or powers that we do not freely concede to every American Republic. We wish to increase our prosperity, to extend our trade, to grow in wealth, in wisdom, and in spirit, but our conception of the true way to accomplish this is not to pull down others and profit by their ruin, but to help all friends to a common prosperity and a common growth, that we may all become greater and stronger together. Within a few months for the first time the recognized possessors of every foot of soil upon the American continents can be and I hope will be represented with the acknowledged rights of equal sovereign states in the great World Congress at The Hague. This will be the world's formal and final acceptance of the declaration that no part of the American continents is to be deemed subject to colonization. Let us pledge ourselves to aid each other in the full performance of the duty to humanity which that accepted declaration implies, so that in time the weakest and most unfortunate of our Republics may come to march with equal step by the side of the stronger and more fortunate. Let us help each other to show that for all the races of men the liberty for which we have fought and labored is the twin sister of justice and peace. Let us unite in creating and maintaining and making effective an all-American public opinion, whose power shall influence international conduct and prevent international wrong, and narrow the causes of war, and forever preserve our free lands from the burden of such armaments as are massed behind the frontiers of Europe, and bring us ever nearer to the perfection of ordered liberty. So shall come security and prosperity, production and trade, wealth, learning, the arts, and happiness for us all."

These words appear to have been received with acclaim in every part of South America. They have my hearty approval, as I am sure they will have yours, and I can not be wrong in the conviction that they correctly represent the sentiments of the whole American people. I can not better characterize the true attitude of the United States in its assertion of the Monroe Doctrine than in the words of the distinguished former minister of foreign affairs of Argentina, Doctor Drago, in his speech welcoming Mr. Root at Buenos Ayres. He spoke of—

"The traditional policy of the United States (which) without accentuating superiority or seeking preponderance, condemned the oppression of the nations of this part of the world and the control of their destinies by the great Powers of Europe."

It is gratifying to know that in the great city of Buenos Ayres, upon the arches which spanned the streets, entwined with Argentine and American flags for the reception of our representative, there were emblazoned not only the names of Washington and Jefferson and Marshall, but also, in appreciative recognition of their services to the cause of South American independence, the names of James Monroe, John Quincy Adams, Henry Clay, and Richard Rush. We take especial pleasure in the graceful courtesy of the Government of Brazil, which has given to the beautiful and stately building first used for the meeting of the conference the name of "Palacio Monroe." Our grateful acknowledgments are due to the Governments and the people of all the countries visited by the Secretary of State for the courtesy, the friendship, and the honor shown to our country in their generous hospitality to him.

In my message to you on the 5th of December, 1905, I called your attention to the embarrassment that might be caused to this Government by the assertion by foreign nations of the right to collect by force of arms contract debts due by American republics to citizens of the collecting nation, and to the danger that the process of compulsory collection might result in the occupation of territory tending to become permanent. I then said:

"Our own Government has always refused to enforce such contractual obligations on behalf of its citizens by an appeal to arms. It is much to be wisht that all foreign governments would take the same view."

This subject was one of the topics of consideration at the conference at Rio and a resolution was adopted by that conference recommending to the respective governments represented "to consider the advisability of asking the Second Peace Conference at The Hague to examine the question of the compulsory collection of public debts, and, in general, means tending to diminish among nations conflicts of purely pecuniary origin."

This resolution was supported by the representatives of the United States in accordance with the following instructions:

"It has long been the established policy of the United States not to use its armed forces for the collection of ordinary contract debts due to its citizens by other governments. We have not considered the use of force for such a purpose consistent with that respect for the independent sovereignty of other members of the family of nations which is the most important principle of international law and the chief protection of weak nations against the oppression of the strong. It seems to us that the practise is injurious in its general effect upon the relations of nations and upon the welfare of weak and disordered states, whose development ought to be encouraged in the interests of civilization; that it offers frequent temptation to bullying and oppression and to unnecessary and unjustifiable warfare. We regret that other powers, whose opinions and sense of justice we esteem highly, have at times taken a different view and have permitted themselves, tho we believe with reluctance, to collect such debts by force. It is doubtless true that the non-payment of public debts may be accompanied by such circumstances of fraud and wrongdoing or violation of treaties as to justify the use of force. This Government would be glad to see an international consideration of the subject which shall discriminate between such cases and the simple nonperformance of a contract with a private person, and a resolution in favor of reliance upon peaceful means in cases of the latter class.

"It is not felt, however, that the conference at Rio should undertake to make such a discrimination or to resolve upon such a rule. Most of the American countries are still debtor nations, while the countries of Europe are the creditors. If the Rio conference, therefore, were to take such action it would have the appearance of a meeting of debtors resolving how their creditors should act, and this would not inspire respect. The true course is indicated by the terms of the program, which proposes to request the Second Hague Conference, where both creditors and debtors will be assembled, to consider the subject."

Last June trouble which had existed for some time between the Republics of Salvador, Guatemala, and Honduras culminated in war—a war which threatened to be ruinous to the countries involved and very destructive to the commercial interests of Americans, Mexicans, and other foreigners who are taking an important part in the development of these countries. The thoroly good understanding which exists between the United States and Mexico enabled this Government and that of Mexico to unite in effective mediation between the warring Republics; which mediation resulted, not without long-continued and patient effort, in bringing about a meeting of the representatives of the hostile powers on board a United States warship as neutral territory, and peace was there concluded; a peace which resulted in the saving of thousands of lives and in the prevention of an incalculable amount of misery and the destruction of property and of the means of livelihood. The Rio Conference past the following resolution in reference to this action:

"That the Third International American Conference shall address to the Presidents of the United States of America and of the United States of Mexico a note in which the conference which is being held at Rio expresses its satisfaction at the happy results of their mediation for the celebration of peace between the Republics of Guatemala, Honduras, and Salvador."

This affords an excellent example of one way in which the influence of the United States can properly be exercised for the benefit of the peoples of the Western Hemisphere; that is, by action taken in concert with other American republics and therefore free from those suspicions and prejudices which might attach if the action were taken by one alone. In this way it is possible to exercise a powerful influence toward the substitution of considerate action in the spirit of justice for the insurrectionary or international violence which has hitherto been so great a hindrance to the development of many of our neighbors. Repeated examples of united action by several or many American republics in favor of peace, by urging cool and reasonable, instead of excited and belligerent, treatment of international controversies, can not fail to promote the growth of a general public opinion among the American nations which will elevate the standards of international action, strengthen the sense of international duty among governments, and tell in favor of the peace of mankind.

I have just returned from a trip to Panama and shall report to you at length later on the whole subject of the Panama Canal.

The Algeciras Convention, which was signed by the United States as well as by most of the powers of Europe, supersedes the previous convention of 1880, which was also signed both by the United States and a majority of the European powers. This treaty confers upon us equal commercial rights with all European countries and does not entail a single obligation of any kind upon us, and I earnestly hope it may be speedily ratified. To refuse to ratify it would merely mean that we forfeited our commercial rights in Morocco and would not achieve another object of any kind. In the event of such refusal we would be left for the first time in a hundred and twenty years without any commercial treaty with Morocco; and this at a time when we are everywhere seeking new markets and outlets for trade.

The destruction of the Pribilof Islands fur seals by pelagic sealing still continues. The herd which, according to the surveys made in 1874 by direction of the Congress, numbered 4,700,000, and which, according to the survey of both American and Canadian commissioners in 1891, amounted to 1,000,000, has now been reduced to about 180,000. This result has been brought about by Canadian and some other sealing vessels killing the female seals while in the water during their annual pilgrimage to and from the south, or in search of food. As a rule the female seal when killed is pregnant, and also has an unweaned pup on land, so that, for each skin taken by pelagic sealing, as a rule, three lives are destroyed—the mother, the unborn offspring, and the nursing pup, which is left to starve to death. No damage whatever is done to the herd by the carefully regulated killing on land; the custom of pelagic sealing is solely responsible for all of the present evil, and is alike indefensible from the economic standpoint and from the standpoint of humanity.

In 1896 over 16,000 young seals were found dead from starvation on the Pribilof Islands. In 1897 it was estimated that since pelagic sealing began upward of 400,000 adult female seals had been killed at sea, and over 300,000 young seals had died of starvation as the result. The revolting barbarity of such a practise, as well as the wasteful destruction which it involves, needs no demonstration and is its own condemnation. The Bering Sea Tribunal, which sat in Paris in 1893, and which decided against the claims of the United States to exclusive jurisdiction in the waters of Bering Sea and to a property right in the fur seals when outside of the three-mile limit, determined also upon certain regulations which the Tribunal considered sufficient for the proper protection and preservation of the fur seal in, or habitually resorting to, the Bering Sea. The Tribunal by its regulations established a close season, from the 1st of May to the 31st of July, and excluded all killing in the waters within 60 miles around the Pribilof Islands. They also provided that the regulations which they had determined upon, with a view to the protection and preservation of the seals, should be submitted every five years to new examination, so as to enable both interested Governments to consider whether, in the light of past experience, there was occasion for any modification thereof.

The regulations have proved plainly inadequate to accomplish the object of protection and preservation of the fur seals, and for a long time this Government has been trying in vain to secure from Great Britain such revision and modification of the regulations as were contemplated and provided for by the award of the Tribunal of Paris.

The process of destruction has been accelerated during recent years by the appearance of a number of Japanese vessels engaged in pelagic sealing. As these vessels have not been bound even by the inadequate limitations prescribed by the Tribunal of Paris, they have paid no attention either to the close season or to the sixty-mile limit imposed upon the Canadians, and have prosecuted their work up to the very islands themselves. On July 16 and 17 the crews from several Japanese vessels made raids upon the island of St. Paul, and before they were beaten off by the very meager and insufficiently armed guard, they succeeded in killing several hundred seals and carrying off the skins of most of them. Nearly all the seals killed were females and the work was done with frightful barbarity. Many of the seals appear to have been skinned alive and many were found half skinned and still alive. The raids were repelled only by the use of firearms, and five of the raiders were killed, two were wounded, and twelve captured, including the two wounded. Those captured have since been tried and sentenced to imprisonment. An attack of this kind had been wholly unlookt for, but such provision of vessels, arms, and ammunition will now be made that its repetition will not be found profitable.

Suitable representations regarding the incident have been made to the Government of Japan, and we are assured that all practicable measures will be taken by that country to prevent any recurrence of the outrage. On our part, the guard on the island will be increased and better equipped and organized, and a better revenue-cutter patrol service about the islands will be established; next season a United States war vessel will also be sent there.

We have not relaxed our efforts to secure an agreement with Great Britain for adequate protection of the seal herd, and negotiations with Japan for the same purpose are in progress.

The laws for the protection of the seals within the jurisdiction of the United States need revision and amendment. Only the islands of St. Paul and St. George are now, in terms, included in the Government reservation, and the other islands are also to be included. The landing of aliens as well as citizens upon the islands, without a permit from the Department of Commerce and Labor, for any purpose except in case of stress of weather or for water, should be prohibited under adequate penalties. The approach of vessels for the excepted purposes should be regulated. The authority of the Government agents on the islands should be enlarged, and the chief agent should have the powers of a committing magistrate. The entrance of a vessel into the territorial waters surrounding the islands with intent to take seals should be made a criminal offense and cause of forfeiture. Authority for seizures in such cases should be given and the presence on any such vessel of seals or sealskins, or the paraphernalia for taking them, should be made *prima facie* evidence of such intent. I recommend what legislation is needed to accomplish these ends; and I commend to your attention the report of Mr. Sims, of the Department of Commerce and Labor, on this subject.

In case we are compelled to abandon the hope of making arrangements with other governments to put an end to the hideous cruelty now incident to pelagic sealing, it will be a question for your serious consideration how far we should continue to protect and maintain the seal herd on land with the result of continuing such a practise, and whether it is not better to end the practice by exterminating the herd ourselves in the most humane way possible.

In my last message I advised you that the Emperor of Russia had taken the initiative in bringing about a second peace conference at The Hague. Under the guidance of Russia the arrangement of the preliminaries for such a conference has been progressing during the past year. Progress has necessarily been slow, owing to the great number of countries to be consulted upon every question that has arisen. It is a matter of satisfaction that all of the American Republics have now, for the first time, been invited to join in the proposed conference.

The close connection between the subjects to be taken up by the Red Cross Conference held at Geneva last summer and the subjects which naturally would come before The Hague Conference made it apparent that it was desirable to have the work of the Red Cross Conference completed and considered by the different powers before the meeting at The Hague. The Red Cross Conference ended its labors on the 6th day of July, and the revised and amended convention, which was signed by the American delegates, will be promptly laid before the Senate.

By the special and highly appreciated courtesy of the Governments of Russia and the Netherlands, a proposal to call The Hague Conference together at a time which would conflict with the Conference of the American Republics at Rio de Janeiro in August was laid aside. No other date has yet been suggested. A tentative program for the conference has been proposed by the Government of Russia, and the subjects which it enumerates are undergoing careful examination and consideration in preparation for the conference.

It must ever be kept in mind that war is not merely justifiable, but imperative, upon honorable men, upon an honorable nation. where peace can only be obtained by the sacrifice of conscientious conviction or of national welfare. Peace is normally a great good, and normally it coincides with righteousness; but it is righteousness and not peace which should bind the conscience of a nation as it should bind the conscience of an individual; and neither a nation nor an individual can surrender conscience to another's keeping. Neither can a nation, which is an entity, and which does not die as individuals die, refrain from taking thought for the interest of the generations that are to come, no less than for the interest of the generation of to-day; and no public men have a right, whether from shortsightedness, from selfish indifference, or from sentimentality, to sacrifice national interests which are vital in character. A just war is in the long run far better for a nation's soul than the most prosperous peace obtained by acquiescence in wrong or injustice. Moreover, tho it is criminal for a nation not to prepare for war, so that it may escape the dreadful consequences of being defeated in war, yet it must always be remembered that even to be defeated in war may be far better than not to have fought at all. As has been well and finely said, a beaten nation is not necessarily a disgraced nation; but the nation or man is disgraced if the obligation to defend right is shirked.

We should as a nation do everything in our power for the cause of honorable peace. It is morally as indefensible for a nation to commit a wrong upon another nation, strong or weak, as for an individual thus to wrong his fellows. We should do all in our power to hasten the day when there shall be peace among the nations—a peace based upon justice and not upon cowardly submission to wrong. We can accomplish a good deal in this direction, but we can not accomplish everything, and the penalty of attempting to do too much would almost inevitably be to do worse than nothing; for it must be remembered that fantastic extremists are not in reality leaders of the causes which they espouse, but are ordinarily those who do most to hamper the real leaders of the cause and to damage the cause itself. As yet there is no likelihood of establishing any kind of international power, of whatever sort, which can effectively check wrongdoing, and in these circumstances it would be both a foolish and an evil thing for a great and free nation to deprive itself of the power to protect its own rights and even in exceptional cases to stand up for the rights of others. Nothing would more promote iniquity, nothing would further defer the reign upon earth of peace and righteousness, than for the free and enlightened peoples which, tho with much stumbling and many shortcomings, nevertheless strive toward justice, deliberately to render themselves powerless while leaving every despotism and barbarism armed and able to work their wicked will. The chance for the settlement of disputes peacefully, by arbitration, now depends mainly upon the possession by the nations that mean to do right of sufficient armed strength to make their purpose effective.

The United States Navy is the surest guarantor of peace which this country possesses. It is earnestly to be wisht that we would profit by the teachings of history in this matter. A strong and wise people will study its own failures no less than its triumphs, for there is wisdom to be learned from the study of both, of the mistake as well as of the success. For this purpose nothing could be more instructive than a rational study of the war of 1812, as it is told, for instance, by Captain Mahan. There was only one way in which that war could have been avoided. If during the preceding twelve years a navy relatively as strong as that which this country now has had been built up, and an army provided relatively as good as that which the country now has, there never would have been the slightest necessity of fighting the war; and if the necessity had arisen the war would under such circumstances have ended with our speedy and overwhelming triumph. But our people during those twelve years refused to make any preparations whatever, regarding either the Army or the Navy. They saved a million or two of dollars by so doing; and in mere money paid a hundredfold for each million they thus saved during the three years of war which followed—a war which brought untold suffering upon our people, which at one time threatened the gravest national disaster, and which, in spite of the necessity of waging it, resulted merely in what was in effect a drawn battle, while the balance of defeat and triumph was almost even.

I do not ask that we continue to increase our Navy. I ask merely that it be maintained at its present strength; and this can be done only if we replace the obsolete and outworn ships by new and good ones, the equals of any afloat in any navy. To stop building ships for one year means that for that year the Navy goes back instead of forward. The old battle ship Texas, for instance, would now be of little service in a stand-up fight with a powerful adversary. The old double-turret monitors have outworn their usefulness, while it was a waste of money to build the modern single-turret monitors. All these ships should be replaced by others; and this can be done by a well-settled program of providing for the building each year of at least one first-class battle ship equal in size and speed to any that any nation is at the same time building; the armament presumably to consist of as large a number as possible of very heavy guns of one caliber, together with smaller guns to repel torpedo attack; while there should be heavy armor, turbine engines, and in short, every modern device. Of course, from time to time, cruisers, colliers, torpedo-boat destroyers or torpedo boats, will have to be built also. All this, be it remembered, would not increase our Navy, but would merely keep it at its present strength. Equally of course, the ships will be absolutely useless if the men aboard them are not so trained that they can get the best possible service out of the formidable but delicate and complicated mechanisms intrusted to their care. The marksmanship of our men has so improved during the last five years that I deem it within bounds to say that the Navy is more than twice as efficient, ship for ship, as half a decade ago. The Navy can only attain proper efficiency if enough officers and men are provided, and if these officers and men are given the chance (and required to take advantage of it) to stay continually at sea and to exercise the fleets singly and above all in squadron, the exercise to be of every kind and to include unceasing practise at the guns, conducted under conditions that will test marksmanship in time of war.

In both the Army and the Navy there is urgent need that everything possible should be done to maintain the highest standard for the personnel, alike as regards the officers and the enlisted men. I do not believe that in any service there is a finer body of enlisted men and of junior officers than we have in both the Army and the Navy, including the Marine Corps. All possible encouragement to the enlisted men should be given, in pay and otherwise, and everything practicable done to render the service attractive to men of the right type. They should be held to the strictest discharge of their duty, and in them a spirit should be encouraged which demands not the mere performance of duty, but the performance of far more than duty, if it conduces to the honor and the interest of the American nation; and in return the amplest consideration should be theirs.

West Point and Annapolis already turn out excellent officers. We do not need to have these schools made more scholastic. On the contrary we should never lose sight of the fact that the aim of each school is to turn out a man who shall be above everything else a fighting man. In the Army in particular it is not necessary that either the cavalry or infantry officer should have special mathematical ability. Probably in both schools the best part of the education is the high standard of character and of professional morale which it confers.

But in both services there is urgent need for the establishment of a principle of selection which will eliminate men after a certain age if they can not be promoted from the subordinate ranks, and which will bring into the higher ranks fewer men, and these at an earlier age. This principle of selection will be objected to by good men of mediocre capacity, who are fitted to do well while young in the lower positions, but who are not fitted to do well when at an advanced age they come into positions of command and of great responsibility. But the desire of these men to be promoted to positions which they are not competent to fill should not weigh against the interest of the Navy and the country. At present our men, especially in the Navy, are kept far too long in the junior grades, and then, at much too advanced an age, are put quickly thru the senior grades, often not attaining to these senior grades until they are too old to be of real use in them; and if they are of real use, being put thru them so quickly that little benefit to the Navy comes from their having been in them at all.

The Navy has one great advantage over the Army in the fact that

THE FLEET'S CRUISE AROUND THE WORLD

CRUISE OF THE BATTLE-SHIP FLEET

"The most notable achievement of the Navy in time of peace was the voyage of the battle-ship fleet. This proved an epoch-making cruise, the longest ever undertaken by such a number of battle-ships, and enlisted the interested attention of the naval world.

The fleet sailed from Hampton Roads December 16, 1907, after a review by the President, and made the passage to various ports for coaling and incidental stops at points in South America; engaged in target practice upon arrival at Magdalena Bay, Mexico, arranged by permission of the Mexican Government; and reached San Francisco, May 1, 1908, without a single mishap to mar the voyage."

Quoted from the article entitled "Cruise of the Battle-Ship Fleet" in the encyclopedic index (volume eleven).

The upper panel shows Roosevelt watching the fleet depart; the middle, the fleet entering San Francisco Harbor; and the lower, the fleet in the harbor of Sydney, Australia. Roosevelt's genius is a hard-headed, practical, open-air sort of genius. He looked upon the Navy and Army, the sailor and soldier, as machines intended for fighting; and military efficiency in his mind meant, not snappy dress parades, but readiness and ability to sustain and deliver hard knocks. Under his Administration both branches of the service prospered. The principles underlying his military doctrines are set forth fully in his messages. It will be worth while to turn to "Roosevelt, Theodore," in volume eleven, run the eye over the range of subjects he has discussed, and refer to the pages there mentioned for his utterances on topics that interest you. See also "Army" and "Navy."

the officers of high rank are actually trained in the continual performance of their duties; that is, in the management of the battle ships and armored cruisers gathered into fleets. This is not true of the army officers, who rarely have corresponding chances to exercise command over troops under service conditions. The conduct of the Spanish war showed the lamentable loss of life, the useless extravagance, and the inefficiency certain to result, if during peace the high officials of the War and Navy Departments are praised and rewarded only if they save money at no matter what cost to the efficiency of the service, and if the higher officers are given no chance whatever to exercise and practise command. For years prior to the Spanish war the Secretaries of War were praised chiefly if they practised economy; which economy, especially in connection with the quartermaster, commissary, and medical departments, was directly responsible for most of the mismanagement that occurred in the war itself—and parenthetically be it observed that the very people who clamored for the misdirected economy in the first place were foremost to denounce the mismanagement, loss, and suffering which were primarily due to this same misdirected economy and to the lack of preparation it involved. There should soon be an increase in the number of men for our coast defenses; these men should be of the right type and properly trained; and there should therefore be an increase of pay for certain skilled grades, especially in the coast artillery. Money should be appropriated to permit troops to be massed in body and exercised in maneuvers, particularly in marching. Such exercise during the summer just past has been of incalculable benefit to the Army and should under no circumstances be discontinued. If on these practise marches and in these maneuvers elderly officers prove unable to bear the strain, they should be retired at once, for the fact is conclusive as to their unfitness for war; that is, for the only purpose because of which they should be allowed to stay in the service. It is a real misfortune to have scores of small company or regimental posts scattered thruout the country; the Army should be gathered in a few brigade or division posts; and the generals should be practised in handling the men in masses. Neglect to provide for all of this means to incur the risk of future disaster and disgrace.

The readiness and efficiency of both the Army and Navy in dealing with the recent sudden crisis in Cuba illustrate afresh their value to the Nation. This readiness and efficiency would have been very much less had it not been for the existence of the General Staff in the Army and the General Board in the Navy; both are essential to the proper development and use of our military forces afloat and ashore. The troops that were sent to Cuba were handled flawlessly. It was the swiftest mobilization and dispatch of troops over sea ever accomplished by our Government. The expedition landed completely equipped and ready for immediate service, several of its organizations hardly remaining in Havana over night before splitting up into detachments and going to their several posts. It was a fine demonstration of the value and efficiency of the General Staff. Similarly, it was owing in large part to the General Board that the Navy was able at the outset to meet the Cuban crisis with such instant efficiency; ship after ship appearing on the shortest notice at any threatened point, while the Marine Corps in particular performed indispensable service. The Army and Navy War Colleges are of incalculable value to the two services, and they cooperate with constantly increasing efficiency and importance.

The Congress has most wisely provided for a National Board for the promotion of rifle practise. Excellent results have already come from this law, but it does not go far enough. Our Regular Army is so small that in any great war we should have to trust mainly to volunteers; and in such event these volunteers should already know how to shoot; for if a soldier has the fighting edge, and ability to take care of himself in the open, his efficiency on the line of battle is almost directly proportionate to excellence in marksmanship. We should establish shooting galleries in all the large public and military schools, should maintain national target ranges in different parts of the country, and should in every way encourage the formation of rifle clubs thruout all parts of the land. The little Republic of Switzerland offers us an excellent example in all matters connected with building up an efficient citizen soldiery.

THEODORE ROOSEVELT.

SEVENTH ANNUAL MESSAGE.

WHITE HOUSE, Dec. 3, 1907.

To the Senate and House of Representatives:

No nation has greater resources than ours, and I think it can be truthfully said that the citizens of no nation possess greater energy and industrial ability. In no nation are the fundamental business conditions sounder than in ours at this very moment; and it is foolish, when such is the case, for people to hoard money instead of keeping it in sound banks; for it is such hoarding that is the immediate occasion of money stringency. Moreover, as a rule, the business of our people is conducted with honesty and probity, and this applies alike to farms and factories, to railroads and banks, to all our legitimate commercial enterprises.

In any large body of men, however, there are certain to be some who are dishonest, and if the conditions are such that these men prosper or commit their misdeeds with impunity, their example is a very evil thing for the community. Where these men are business men of great sagacity and of temperament both unscrupulous and reckless, and where the conditions are such that they act without supervision or control and at first without effective check from public opinion, they delude many innocent people into making investments or embarking in kinds of business that are really unsound. When the misdeeds of these successfully dishonest men are discovered, suffering comes not only upon them, but upon the innocent men whom they have misled. It is a painful awakening, whenever it occurs; and, naturally, when it does occur those who suffer are apt to forget that the longer it was deferred the more painful it would be. In the effort to punish the guilty it is both wise and proper to endeavor so far as possible to minimize the distress of those who have been misled by the guilty. Yet it is not possible to refrain because of such distress from striving to put an end to the misdeeds that are the ultimate causes of the suffering, and, as a means to this end, where possible to punish those responsible for them. There may be honest differences of opinion as to many governmental policies; but surely there can be no such differences as to the need of unflinching perseverance in the war against successful dishonesty.

In my Message to the Congress on December 5, 1905, I said:

"If the folly of man mars the general well-being, then those who are innocent of the folly will have to pay part of the penalty incurred by those who are guilty of the folly. A panic brought on by the speculative folly of part of the business community would hurt the whole business community; but such stoppage of welfare, though it might be severe, would not be lasting. In the long run, the one vital factor in the permanent prosperity of the country is the high individual character of the average American worker, the average American citizen, no matter whether his work be mental or manual, whether he be farmer or wage-worker, business man or professional man.

"In our industrial and social system the interests of all men are so closely intertwined that in the immense majority of cases a straight-dealing man, who by his efficiency, by his ingenuity and industry, benefits himself, must also benefit others. Normally, the man of great productive capacity who becomes rich by guiding the labor of many other men does so by enabling them to produce more than they could produce without his guidance; and both he and they share in the benefit, which comes also to the public at large. The superficial fact that the sharing may be unequal must never blind us to the underlying fact that there is this sharing, and that the benefit comes in some degree to each man concerned. Normally, the wageworker, the man of small means, and the average consumer, as well as the average producer, are all alike helped by making conditions such that the man of exceptional business ability receives an exceptional reward for his ability Something can be done by legislation to help the general prosperity; but no such help of a permanently beneficial character can be given to the less able and less fortunate save as the results of a policy which shall inure to the advantage of all industrious and efficient people who act decently; and this is only another way of saying that any benefit which comes to the less able and less fortunate must of necessity come even more to the more able and more fortunate. If, therefore, the less fortunate man is moved by envy of his more fortunate brother to strike at the conditions under which they have both, though unequally, prospered, the result will assuredly be that while damage may come to the one struck at, it will visit with an even heavier load the one who strikes the blow. Taken as a whole, we must all go up or go down together.

"Yet, while not merely admitting, but insisting upon this, it is also true that where there is no governmental restraint or supervision some of the exceptional men use their energies, not in ways that are for the common good, but in ways which tell against this common good. The fortunes amassed through corporate organization are now so large, and vest such power in those that wield them, as to make it a matter of necessity to give to the sovereign—that is, to the Government, which represents the people as a whole—some effective power of supervision over their corporate use. In order to insure a healthy social and industrial life, every big corporation should be held responsible by, and be accountable to, some sovereign strong enough to control its conduct. I am in no sense hostile to corporations. This is an age of combination, and any effort to prevent all combination will be not only useless, but in the end vicious, because of the contempt for law which the failure to enforce law inevitably produces. We should, moreover, recognize in cordial and ample fashion the immense good effected by corporate agencies in a country such as ours, and the wealth of intellect, energy, and fidelity devoted to their service, and therefore normally to the service of the public, by their officers and directors. The corporation has come to stay, just as the trade union has come to stay. Each can do and has done great good. Each should be favored so long as it does good. But each should be sharply checked where it acts against law and justice.

"* * * The makers of our National Constitution provided especially that the regulation of interstate commerce should come within the sphere of the General Government. The arguments in favor of their taking this stand were even then overwhelming. But they are far stronger to-day, in view of the enormous development of great business agencies, usually corporate in form. Experience has shown conclusively that it is useless to try to get any adequate regulation and supervision of these great corporations by State action. Such regulation and supervision can only be effectively exercised by a sovereign whose jurisdiction is coextensive with the field of work of the corporations—that is, by the National Government. I believe that this regulation and supervision can be obtained by the enactment of law by the Congress. * * * Our steady aim should be by legislation, cautiously and carefully undertaken, but resolutely persevered in, to assert the sovereignty of the National Government by affirmative action.

"This is only in form an innovation. In substance it is merely a restoration; for from the earliest time such regulation of industrial activities has been recognized in the action of the lawmaking bodies; and all that I propose is to meet the changed conditions in such manner as will prevent the Commonwealth abdicating the power it has always possessed, not only in this country, but also in England before and since this country became a separate nation.

"It has been a misfortune that the National laws on this subject have hitherto been of a negative or prohibitive rather than an affirmative kind, and still more that they have in part sought to prohibit what could not be effectively prohibited, and have in part in their prohibitions confounded what should be allowed and what should not be allowed. It is generally useless to try to prohibit all restraint on competition, whether this restraint be reasonable or unreasonable; and where it is not useless it is generally hurtful. * * * The successful prosecution of one device to evade the law immediately develops another device to accomplish the same purpose. What is needed is not sweeping prohibition of every arrangement, good or bad, which may tend to restrict competition, but such adequate supervision and regulation as will prevent any restriction of competition from being to the detriment of the public, as well as such supervision and regulation as will prevent other abuses in no way connected with restriction of competition."

I have called your attention in these quotations to what I have already said because I am satisfied that it is the duty of the National Government to embody in action the principles thus expressed.

No small part of the trouble that we have comes from carrying to an extreme the national virtue of self-reliance, of independence in initiative and action. It is wise to conserve this virtue and to provide for its fullest exercise, compatible with seeing that liberty does not become a liberty to wrong others. Unfortunately, this is the kind of liberty that the lack of all effective regulation inevitably breeds. The founders of the Constitution provided that the National Government should have complete and sole control of interstate commerce. There was then practically no interstate business save such as was conducted by water, and this the National Government at once proceeded to regulate in thoroughgoing and effective fashion. Conditions have now so wholly changed that the interstate commerce by water is insignificant compared with the amount that goes by land, and almost all big business concerns are now engaged in interstate commerce. As a result, it can be but partially and imperfectly controlled or regulated by the action of any one of the several States; such action inevitably tending to be either too drastic or else too lax, and in either case ineffective for purposes of justice. Only the National Government can in thoroughgoing fashion exercise the needed control. This does not mean that there should be any extension of Federal authority, for such authority already exists under the Constitution in amplest and most far-reaching form; but it does mean that there should be an extension of Federal activity. This is not advocating centralization. It is merely looking facts in the face, and realizing that centralization in business has already come and can not be avoided or undone, and that the public at large can only protect itself from certain evil effects of this business centralization by providing better methods for the exercise of control through the authority already centralized in the National Government by the Constitution itself. There must be no halt in the healthy constructive course of action which this Nation has elected to pursue, and has steadily pursued, during the last six years, as shown both in the legislation of the Congress and the administration of the law by the Department of Justice. The most vital need is in connection with the railroads. As to these, in my judgment there should now be either a national incorporation act or a law licensing railway companies to engage in interstate commerce upon certain conditions. The law should be so framed as to give to the Interstate Commerce Commission power to pass upon the future issue of securities, while ample means should be provided to enable the Commission, whenever in its judgment it is necessary, to make a physical valuation of any railroad. As I stated in my Message to the Congress a year ago, railroads should be given power to enter into agreements, subject to these argreements being made public in minute detail and to the consent of the Interstate Commerce Commission being first obtained. Until the National Government assumes proper control of interstate commerce, in the exercise of the authority it already possesses, it will be impossible either to give to or to get from the railroads full justice. The railroads and all other great corporations will do well to recognize that this control must come; the only question is as to what governmental body can most wisely exercise it. The courts will determine the limits within which the Federal authority can exercise it, and there will still remain ample work within each State for the railway commission of that State; and the National Interstate Commerce Commission will work in harmony with the several State commissions, each within its own province, to achieve the desired end.

Moreover, in my judgment there should be additional legislation looking to the proper control of the great business concerns engaged in interstate business, this control to be exercised for their own benefit and prosperity no less than for the protection of investors and of the general public. As I have repeatedly said in Messages to the Congress and elsewhere, experience has definitely shown not merely the unwisdom but the futility of endeavoring to put a stop to all business combinations. Modern industrial conditions are such that combination is not only necessary but inevitable. It is so in the world of business just as it is so in the world of labor, and it is as idle to desire to put an end to all corporations, to all big combinations of capital, as to desire to put an end to combinations of labor. Corporation and labor union alike have come to stay. Each if properly managed is a source of good and not evil. Whenever in either there is evil, it should be promptly held to account; but it should receive hearty encouragement so long as it is properly managed. It is profoundly immoral to put or keep on the statute books a law, nominally in the interest of public morality, that really puts a premium upon public immorality, by undertaking to forbid honest men from doing what must be done under modern business conditions, so that the law itself provides that its own infraction must be the condition precedent upon business success. To aim at the accomplishment of too much usually means the accomplishment of too little, and often the doing of positive damage. In my Message to the Congress a year ago, in speaking of the antitrust laws, I said:

"The actual working of our laws has shown that the effort to prohibit all combination, good or bad, is noxious where it is not ineffective. Combination of capital, like combination of labor, is a necessary element in our present industrial system. It is not possible completely to prevent it; and if it were possible, such complete prevention would do damage to the body politic. What we need is not vainly to try to prevent all combination, but to secure such rigorous and adequate control and supervision of the combinations as to prevent their injuring the public, or existing in such forms as inevitably to threaten injury. * * * It is unfortunate that our present laws should forbid all combinations instead of sharply discriminating between those combinations which do evil. * * * Often railroads would like to combine for the purpose of preventing a big shipper from maintaining improper advantages at the expense of small shippers and of the general public. Such a combination, instead of being forbidden by law, should be favored. * * * It is a public evil to have on the statute books a law incapable of full enforcement, because both judges and juries realize that its full enforcement would destroy the business of the country; for the result is to make decent men violators of the law against their will, and to put a premium on the behavior of the willful wrongdoers. Such a result in turn tends to throw the decent man and the willful wrongdoer into close association, and in the end to drag down the former to the latter's level; for the man who becomes a lawbreaker in one way unhappily tends to lose all respect for law and to be willing to break it in many ways. No more scathing condemnation could be visited upon a law than is contained in the words of the Interstate Commerce Commission when, in commenting upon the fact that the numerous joint traffic associations do technically violate the law, they say: 'The decision of the United States Supreme Court in the Trans-Missouri case and the Joint Traffic Association case has produced no practical effect upon the railway operations of the country. Such associations, in fact, exist now as they did before these decisions, and with the same general effect. In justice to all parties, we ought probably to add that it is difficult to see how our interstate railways could be operated with due regard to the interest of the shipper and the railway without concerted action of the kind afforded through these asociations.'

"This means that the law as construed by the Supreme Court is such that the business of the country can not be conducted without breaking it."

As I have elsewhere said:

'All this is substantially what I have said over and over again. Surely it ought not to be necessary to say that it in no shape or way represents any hostility to corporations as such. On the contrary, it means a frank recognition of the fact that combinations of capital, like combinations of labor, are a natural result of modern conditions and of our National development. As far as in my ability lies my endeavor is and will be to prevent abuse of power by either and to favor both so long as they do well. The aim of the National Government is quite as much to favor and protect honest corporations, honest business men of wealth, as to bring to justice those individuals and corporations representing dishonest methods. Most certainly there will be no relaxation by the Government authorities in the effort to get at any great railroad wrecker—any man who by clever swindling devices robs investors, oppresses wage-workers, and does injustice to the general public. But any such move as this is in the interest of honest railway operators, of honest corporations, and of those who, when they invest their small savings in stocks and bonds, wish to be assured that these will represent money honestly expended for legitimate business purposes. To confer upon the National Government the power for which I ask would be a check upon overcapitalization and upon the clever gamblers who benefit by overcapitalization. But it alone would mean an increase in the value, an increase in the safety of the stocks and bonds of law-abiding, honestly managed railroads, and would render it far easier to market their securities. I believe in proper publicity. There has been complaint of some of the investigations recently carried on, but those who complain should put the blame where it belongs—upon the misdeeds which are done in darkness and not upon the investigations which brought them to light. The Administration is responsible for turning on the light, but it is not responsible for what the light showed. I ask for full power to be given the Federal Government, because no single State can by legislation effectually cope with these powerful corporations engaged in interstate commerce, and, while doing them full justice, exact from them in return full justice to others. The conditions of railroad activity, the conditions of our immense interstate commerce, are such as to make the Central Government alone competent to exercise full supervision and control.

"The grave abuses in individual cases of railroad management in the past represent wrongs not merely to the general public, but, above all, wrongs to fair-dealing and honest corporations and men of wealth, because they excite a popular anger and distrust which from the very nature of the case tends to include in the sweep of its resentment good and bad alike. From the standpoint of the public I can not too earnestly say that as soon as the natural and proper resentment aroused by these abuses becomes indiscriminate and unthinking, it also becomes not merely unwise and unfair, but calculated to defeat the very ends which those feeling it have in view. There has been plenty of dishonest work by corporations in the past. There will not be the slightest let-up in the effort to hunt down and punish every dishonest man. But the bulk of our business is honestly done. In the natural indignation the people feel over the dishonesty, it is essential that they should not lose their heads and get drawn into an indiscriminate raid upon all corporations, all people of wealth, whether they do well or ill. Out of any such wild movement good will not come, can not come, and never has come. On the contrary, the surest way to invite reaction is to follow the lead of either demagogue or visionary in a sweeping assault upon property values and upon public confidence, which would work incalculable damage in the business world and would produce such distrust of the agitators that in the revulsion the distrust would extend to honest men who, in sincere and same fashion, are trying to remedy the evils."

The antitrust law should not be repealed; but it should be made both more efficient and more in harmony with actual conditions. It should be so amended as to forbid only the kind of combination which does harm to the general public, such amendment to be accompanied by, or to be an incident of, a grant of supervisory power to the Government over these big concerns engaged in interstate business. This should be accompanied by provision for the compulsory publication of accounts and the subjection of books and papers to the inspection of the Government officials. A beginning has already been made for such supervision by the establishment of the Bureau of Corporations.

The antitrust law should not prohibit combinations that do no injustice to the public, still less those the existence of which is on the whole of benefit to the public. But even if this feature of the law were abolished, there would remain as an equally objectionable feature the difficulty and delay now incident to its enforcement. The Government must now submit to irksome and repeated delay before obtaining a final decision of the courts upon proceedings instituted, and even a favorable decree may mean an empty victory. Moreover, to attempt to control these corporations by lawsuits means to impose upon both the Department of Justice and the courts an impossible burden; it is not feasible to carry on more than a limited number of such suits. Such a law to be really effective must of course be administered by an executive body, and not merely by means of lawsuits. The design should be to prevent the abuses incident to the creation of unhealthy and improper combinations, instead of waiting until they are in existence and then attempting to destroy them by civil or criminal proceedings.

A combination should not be tolerated if it abuse the power acquired by combination to the public detriment. No corporation or association of any kind should be permitted to engage in foreign or interstate commerce that is formed for the purpose of, or whose operations create, a monopoly or general control of the production, sale, or distribution of any one or more of the prime necessities of life or articles of general use and necessity. Such combinations are against public policy; they violate the common law; the doors of the courts are closed to those who are parties to them, and I believe the Congress can close the channels of interstate commerce against them for its protection. The law should make its prohibitions and permissions as clear and definite as possible, leaving the least possible room for arbitrary action, or allegation of such action, on the part of the Executive, or of divergent interpretations by the courts. Among the points to be aimed at should be the prohibition of unhealthy competition, such as by rendering service at an actual loss for the purpose of crushing out competition, the prevention of inflation of capital, and the prohibition of a corporation's making exclusive trade with itself a condition of having any trade with itself. Reasonable agreements between, or combinations of, corporations should be permitted, provided they are submitted to and approved by some appropriate Government body.

The Congress has the power to charter corporations to engage in interstate and foreign commerce, and a general law can be enacted under the provisions of which existing corporations could take out Federal charters and new Federal corporations could be created. An essential provision of such a law should be a method of predetermining by some Federal board or commission whether the applicant for a Federal charter was an association or combination within the restrictions of the Federal law. Provision should also be made for complete publicity in all matters affecting the public and complete protection to the investing public and the shareholders in the matter of issuing corporate securities. If an incorporation law is not deemed advisable, a license act for big interstate corporations might be enacted; or a combination of the two might be tried. The supervision established might be analogous to that now exercised over national banks. At least, the antitrust act should be supplemented by specific prohibitions of the methods which experience has shown have been of most service in enabling monopolistic combinations to crush out competition. The real owners of a corporation should be compelled to do business in their own name. The right to hold stock in other corporations should hereafter be denied to interstate corporations, unless on approval by the Government officials, and a prerequisite to such approval should be the listing with the Government of all owners and stockholders, both by the corporation owning such stock and by the corporation in which such stock is owned.

To confer upon the National Government, in connection with the amendment I advocate in the antitrust law, power of supervision over big business concerns engaged in interstate commerce, would benefit them as it has benefited the national banks. In the recent business crisis it is noteworthy that the institutions which failed were institutions which were not under the supervision and control of the National Government. Those which were under National control stood the test.

National control of the kind above advocated would be to the benefit of every well-managed railway. From the standpoint of the public there is need for additional tracks, additional terminals, and improvements in the actual handling of the railroads, and all this as rapidly as possible. Ample, safe, and speedy transportation facilities are even more necessary than cheap transportation. Therefore, there is need for the investment of money which will provide for all these things while at the same time securing as far as is possible better wages and shorter hours for their employees. Therefore. while there must be just and reasonable regulation of rates, we should be the first to protest against any arbitrary and unthinking movement to cut them down without the fullest and most careful consideration of all interests concerned and of the actual needs of the situation. Only a special body of men acting for the National Government under authority conferred upon it by the Congress ic competent to pass judgment on such a matter.

Those who fear, from any reason, the extension of Federal activity will do well to study the history not only of the national banking act but of the pure-food law, and notably the meat inspection law recently enacted. The pure-food law was opposed so violently that its passage was delayed for a decade; yet it has worked unmixed and immediate good. The meat inspection law was even more violently assailed; and the same men who now denounce the attitude of the National Government in seeking to oversee and control the workings of interstate common carriers and business concerns, then asserted that we were "discrediting and ruining a great American industry." Two years have not elapsed, and already it has become evident that the great benefit the law confers upon the public is accompanied by an equal benefit to the reputable packing establishments. The latter are better off under the law than they were without it. The benefit to interstate common carriers and business concerns from the legislation I advocate would be equally marked.

Incidentally, in the passage of the pure-food law the action of the various State food and dairy commissioners showed in striking fashion how much good for the whole people results from the hearty cooperation of the Federal and State officials in securing a given reform. It is primarily to the action of these State commissioners that we owe the enactment of this law; for they aroused the people, first to demand the enactment and enforcement of State laws on the subject, and then the enactment of the Federal law, without which the State laws were largely ineffective. There must be the closest cooperation between the National and State governments in administering these laws.

In my Message to the Congress a year ago I spoke as follows of the currency:

"I especially call your attention to the condition of our currency laws. The national-bank act has ably served a great purpose in aiding the enormous business development of the country, and within ten years there has been an increase in circulation per capita from $21.41 to $33.08. For several years evidence has been accumulating that additional legislation is needed. The recurrence of each crop season emphasizes the defects of the present laws. There must soon be a revision of them, because to leave them as they are means to incur liability of business disaster. Since your body adjourned there has been a fluctuation in the interest on call money from 2 per cent to 30 per cent, and the fluctuation was even greater during the preceding six months. The Secretary of the Treasury had to step in and by wise action put a stop to the most violent period of oscillation. Even worse than such fluctuation is the advance in commercial rates and the uncertainty felt in the sufficiency of credit even at high rates. All commercial interests suffer during each crop period. Excessive rates for call money in New York attract money from the interior banks into the speculative field. This depletes the fund that would otherwise be available for commercial uses, and commercial borrowers are forced to pay abnormal rates, so that each fall a tax, in the shape of increased interest charges, is placed on the whole commerce of the country.

"The mere statement of these facts shows that our present system is seriously defective. There is need of a change. Unfortunately, however, many of the proposed changes must be ruled from consideration because they are complicated, are not easy of comprehension, and tend to disturb existing rights and interests. We must also rule out any plan which would materially impair the value of the United States 2 per cent bonds now pledged to secure circulation, the issue of which was made under conditions peculiarly creditable to the Treasury. I do not press any especial plan. Various plans have recently been proposed by expert committees of bankers. Among the plans which are possibly feasible and which certainly should receive your consideration is that repeatedly brought to your attention by the present Secretary of the Treasury, the essential features of which have been approved by many prominent bankers and business men. According to this plan national banks should be permitted to issue a specified proportion of their capital in notes of a given kind, the issue to be taxed at so high a rate as to drive the notes back when not wanted in legitimate trade. This plan would not permit the issue of currency to give banks additional profits, but to meet the emergency presented by times of stringency.

"I do not say that this is the right system. I only advance it to emphasize my belief that there is need for the adoption of some system which shall be automatic and open to all sound banks, so as to avoid all possibility of discrimination and favoritism. Such a plan would tend to prevent the spasms of high money and speculation which now obtain in the New York market; for at present there is too much currency at certain seasons of the year, and its accumulation at New York tempts bankers to lend it at low rates for speculative purposes; whereas at other times when the crops are being moved there is urgent need for a large but temporary increase in the currency supply. It must never be forgotten that this question concerns business men generally quite as much as bankers; especially is this true of stockmen, farmers, and business men in the West; for at present at certain seasons of the year the difference in interest rates between the East and the West is from 6 to 10 per cent, whereas in Canada the corresponding difference is but 2 per cent. Any plan must, of course, guard the interests of western and southern bankers as carefully as it guards the interests of New York or Chicago bankers, and must be drawn from the standpoints of the farmer and the merchant no less than from the standpoints of the city banker and the country banker."

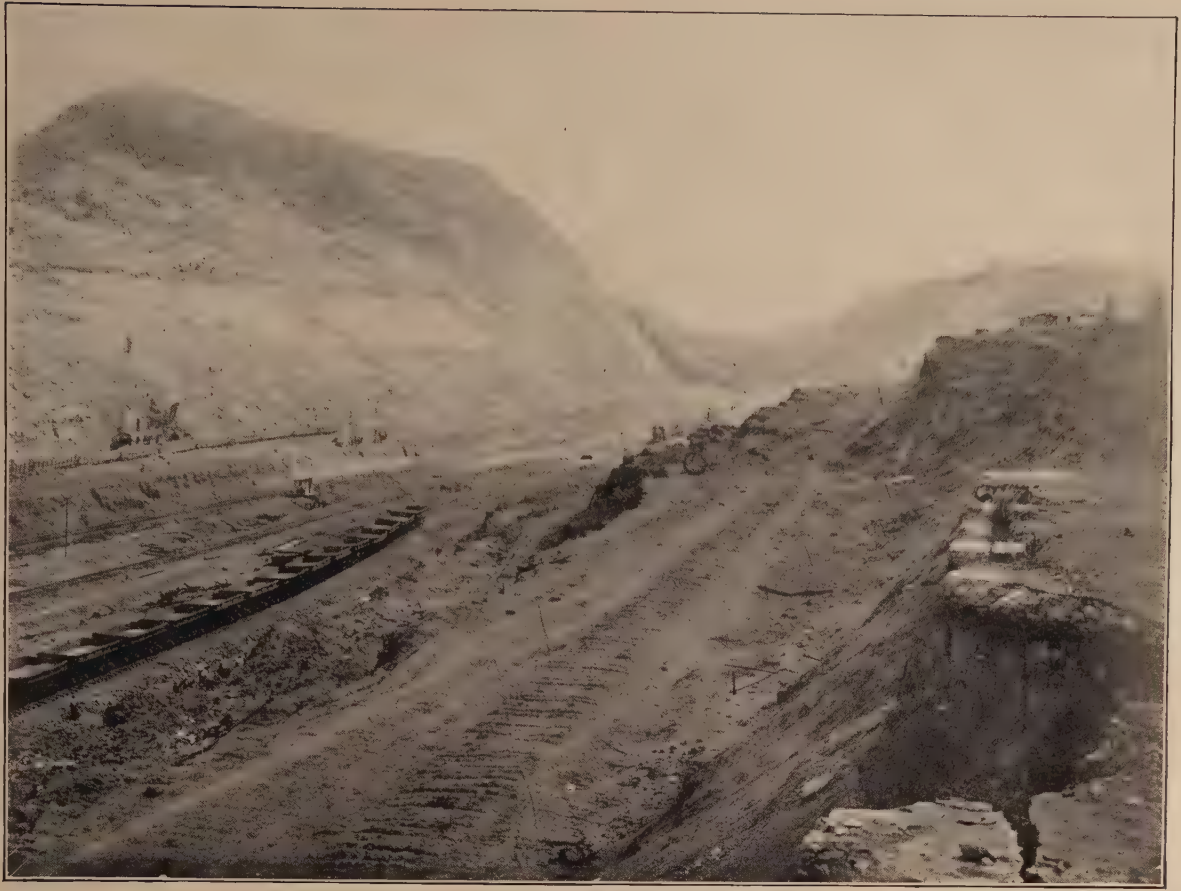
I again urge on the Congress the need of immediate attention to this matter. We need a greater elasticity in our currency; provided, of course, that we recognize the even greater need of a safe and secure currency. There must always be the most rigid examination by the National authorities. Provision should be made for an emergency currency. The emergency issue should, of course, be made with an effective guaranty, and upon conditions carefully prescribed by the Government. Such emergency issue must be based on adequate securities approved by the Government, and must be issued under a heavy tax. This would permit currency being issued when the demand for it was urgent, while securing its requirement as the demand fell off. It is worth investigating to determine whether officers and directors of national banks should ever be allowed to loan to themselves. Trust companies should be subject to the same supervision as banks; legislation to this effect should be enacted for the District of Columbia and the Territories.

Yet we must also remember that even the wisest legislation on the subject can only accomplish a certain amount. No legislation can by any possibility guarantee the business community against the results of speculative folly any more than it can guarantee an individual against the results of his extravagance. When an individual mortgages his house to buy an automobile he invites disaster; and when wealthy men, or men who pose as such, or are unscrupulously or foolishly eager to become such, indulge in reckless speculation—especially if it is accompanied by dishonesty—they jeopardize not only their own future but the future of all their innocent fellow-citizens, for the expose the whole business community to panic and distress.

The income account of the Nation is in a most satisfactory condition. For the six fiscal years ending with the 1st of July last, the total expenditures and revenues of the National Government, exclusive of the postal revenues and expenditures, were, in round numbers, revenues, $3,465,000,0000, and expenditures, $3,275,000,000. The net excess of income over expenditures, including in the latter the fifty millions expended for the Panama Canal, was one hundred and ninety million dollars for the six years, an average of about thirty-one millions a year. This represents an approximation between income and outgo which it would be hard to improve. The satisfactory working of the present tariff law has been chiefly responsible for this excellent showing. Nevertheless, there is an evident and constantly growing feeling among our people that the time is rapidly approaching when our system of revenue legislation must be revised.

This country is definitely committed to the protective system and any effort to uproot it could not but cause widespread industrial disaster. In other words, the principle of the present tariff law could not with wisdom be changed. But in a country of such phenomenal growth as ours it is probably well that every dozen years or so the tariff laws should be carefully scrutinized so as to see that no excessive or improper benefits are conferred thereby, that proper revenue is provided, and that our foreign trade is encouraged. There must always be as a minimum a tariff which will not only allow for the collection of an ample revenue but which will at least make good the difference in cost of production here and abroad; that is, the difference in the labor cost here and abroad, for the well-being of the wage-worker must ever be a cardinal point of American policy. The question should be approached purely from a business standpoint; both the time and the manner of the change being such as to arouse the minimum of agitation and disturbance in the business world, and to give the least play for selfish and factional motives. The sole consideration should be to see that the sum total of changes represents the public good. This means that the subject can not with wisdom be dealt with in the year preceding a Presidential election, because as a matter of fact experience has conclusively shown that at such a time it is impossible to get men to treat it from the standpoint of the public good. In my judgment the wise time to deal with the matter is immediately after such election.

When our tax laws are revised the question of an income tax and an inheritance tax should receive the careful attention of our legislators. In my judgment both of these taxes should be part of our system of Federal taxation. I speak diffidently about the income tax because one scheme for an income tax was declared unconstitutional by the Supreme Court; while in addition it is a difficult tax to administer in its practical working, and great care would have to be exercised to see that it was not evaded by the very men whom it was most desirable to have taxed, for if so evaded it would, of course, be worse than no tax at all; as the least desirable of all taxes is the tax which bears heavily upon the honest as compared with the dishonest man. Nevertheless, a graduated income tax of the proper type would be a desirable feature of Federal taxation, and it is to be hoped that one may be devised which the Supreme Court will declare constitutional. The inheritance tax, however, is both a far better method of taxation, and far more important for the purpose of having the fortunes of the country bear in proportion to their increase in size a corresponding increase and burden of taxation. The Government has the absolute right to decide as to the terms upon which a man shall receive a bequest or devise from another, and this point in the devolution of property is especially appropriate for the imposition of a tax. Laws imposing such taxes have repeatedly been placed upon the National statute books and as repeatedly declared constitutional by the courts; and these laws contained the progressive principle, that is, after a certain amount is reached the bequest or gift, in life or death, is increasingly burdened and the rate of taxation is increased in proportion to the remoteness of blood of the man receiving the bequest. These principles are recognized already in the leading civilized nations of the world. In Great Britain all the estates worth $5,000 or less are practically exempt from death duties, while the increase is such that when an estate exceeds five millions of dollars in value and passes to a distant kinsman or stranger in blood the Government receives all told an amount equivalent to nearly a fifth of the whole estate. In France so much of an inheritance as exceeds $10,000,000 pays over a fifth to the State if it passes to a distant relative. The German law is especially interesting to us because it makes the inheritance tax an imperial measure while allotting to the individual States of the Empire a portion of the proceeds and permitting them to impose taxes in addition to those imposed by the Imperial Government. Small inheritances are exempt, but the tax is so sharply progressive that when the inheritance is still not very large, provided it is not an agricultural or a forest land, it is taxed at the rate of 25 per cent if it goes to distant relatives. There is no reason why in the United States the National Government should not impose inheritance taxes in addition to those imposed by the States, and when we last had an inheritance tax about one-half of the States levied such taxes concurrently with the National Government, making a combined maximum rate, in some cases as high as 25 per cent. The French law has one feature which is to be heartily commended. The progressive principle is so applied that each higher rate is imposed only on the excess above the amount subject to the next lower rate; so that each increase of rate will apply only to a certain amount above a certain maximum. The tax should if possible be made to bear more heavily upon those residing without the country than within it. A heavy progressive tax upon a very large fortune is in no way such a tax upon thrift or industry as a like would be on a small fortune. No advantage comes either to the country as a whole or to the individuals inheriting the money by permitting the transmission in their entirety of the enormous fortunes which would be affected by such a tax; and as an incident to its function of revenue raising, such a tax would help to preserve a measurable equality of opportunity for the people of the generations growing to manhood. We have not the slightest sym-



PANAMA CANAL: THE CULEBRA CUT, LOOKING SOUTH, FEBRUARY, 1908

THE PANAMA CANAL

The commencement of the task of constructing the Panama Canal was the most important event of Roosevelt's Administration. The history of the undertaking is written by Roosevelt himself on pages 6662, 6758, 6881, 6901, 7401, 7480, 7611, 7648, 7667, 7685 and 7728. The message commencing on page 7685 describes his visit of inspection to the canal zone. President Taft continued the narrative, pages 7750, 7754, 7803, 7863 and 7898. The reader who desires a brief recital of the facts should refer to the article entitled "Panama Canal" in the encyclopedic index (volume eleven). The index references following this article will enable the reader to glean a complete and authentic knowledge of the subject from the messages of the Presidents, from Jackson to Taft, who have discussed the project.

pathy with that socialistic idea which would try to put laziness, thriftlessness and inefficiency on a par with industry, thrift and efficiency; which would strive to break up not merely private property, but what is far more important, the home, the chief prop upon which our whole civilization stands. Such a theory, if ever adopted, would mean the ruin of the entire country—a ruin which would bear heaviest upon the weakest, upon those least able to shift for themselves. But proposals for legislation such as this herein advocated are directly opposed to this class of socialistic theories. Our aim is to recognize what Lincoln pointed out: The fact that there are some respects in which men are obviously not equal; but also to insist that there should be an equality of self-respect and of mutual respect, an equality of rights before the law, and at least an approximate equality in the conditions under which each man obtains the chance to show the stuff that is in him when compared to his fellows.

A few years ago there was loud complaint that the law could not be invoked against wealthy offenders. There is no such complaint now. The course of the Department of Justice during the last few years has been such as to make it evident that no man stands above the law, that no corporation is so wealthy that it can not be held to account. The Department of Justice has been as prompt to proceed against the wealthiest malefactor whose crime was one of greed and cunning as to proceed against the agitator who incites to brutal violence. Everything that can be done under the existing law, and with the existing state of public opinion, which so profoundly influences both the courts and juries, has been done. But the laws themselves need strengthening in more than one important point; they should be made more definite, so that no honest man can be led unwittingly to break them, and so that the real wrongdoer can be readily punished.

Moreover, there must be the public opinion back of the laws or the laws themselves will be of no avail. At present, while the average juryman undoubtedly wishes to see trusts broken up, and is quite ready to fine the corporation itself, he is very reluctant to find the facts proven beyond a reasonable doubt when it comes to sending to jail a member of the business community for indulging in practices which are profoundly unhealthy, but which, unfortunately, the business community has grown to recognize as well-nigh normal. Both the present condition of the law and the present temper of juries render it a task of extreme difficulty to get at the real wrongdoer in any such case, especially by imprisonment. Yet it is from every standpoint far preferable to punish the prime offender by imprisonment rather than to fine the corporation, with the attendant damage to stockholders.

The two great evils in the execution of our criminal laws to-day are sentimentality and technicality. For the latter the remedy must come from the hands of the legislatures, the courts, and the lawyers. The other must depend for its cure upon the gradual growth of a sound public opinion which shall insist that regard for the law and the demands of reason shall control all other influences and emotions in the jury box. Both of these evils must be removed or public discontent with the criminal law will continue.

Instances of abuse in the granting of injunctions in labor disputes continue to occur, and the resentment in the minds of those who feel that their rights are being invaded and their liberty of action and of speech unwarrantably restrained continues likewise to grow. Much of the attack on the use of the process of injunction is wholly without warrant; but I am constrained to express the belief that for some of it there is warrant. This question is becoming more and more one of prime importance, and unless the courts will themselves deal with it in effective manner, it is certain ultimately to demand some form of legislative action. It would be most unfortunate for our social welfare if we should permit many honest and law-abiding citizens to feel that they had just cause for regarding our courts with hostility. I earnestly commend to the attention of the Congress this matter, so that some way may be devised which will limit the abuse of injunctions and protect those rights which from time to time it unwarrantably invades. Moreover, discontent is often expressed with the use of the process of injunction by the courts, not only in labor disputes, but where State laws are concerned. I refrain from discussion of this question as I am informed that it will soon receive the consideration of the Supreme Court.

The Federal courts must of course decide ultimately what are the respective spheres of State and Nation in connection with any law, State or National, and they must decide definitely and finally in matters affecting individual citizens, not only as to the rights and wrongs of labor but as to the rights and wrongs of capital; and the National Government must always see that the decision of the court is put into effect. The process of injunction is an essential adjunct of the court's doing its work well; and as preventive measures are always better than remedial, the wise use of this process is from every standpoint commendable. But where it is recklessly or unnecessarily used, the abuse should be censured, above all by the very men who are properly anxious to prevent any effort to shear the courts of this necessary power. The court's decision must be final; the protest is only against the conduct of individual juudges in needlessly anticipating such final decision, or in the tyrannical use of what is nominally a temporary injunction to accomplish what is in fact a permanent decision.

The loss of life and limb from railroad accidents in this country has become appalling. It is a subject of which the National Government should take supervision. It might be well to begin by porviding for a Federal inspection of interstate railroads somewhat along the lines of Federal inspection of steamboats, although not going so far; perhaps at first all that it would be necessary to have would be some officer whose duty would be to investigate all accidents on interstate railroads and report in detail the causes thereof. Such an officer should make it his business to get into close touch with railroad operating men so as to become thoroughly familiar with every side of the question, the idea being to work along the lines of the present steamboat inspection law.

The National Government should be a model employer. It should demand the highest quality of service from each of its employees and it should care for all of them properly in return. Congress should adopt legislation providing limited but definite compensation for accidents to all workmen within the scope of the Federal power, including employees of navy yards and arsenals. In other words, a model employers' liability act, far-reaching and thoroughgoing, should be enacted which should apply to all positions, public and private, over which the National Government has jurisdiction. The number of accidents to wage-workers, including those that are preventable and those that are not, has become appalling in the mechanical, manufacturing, and transportation operations of the day. It works grim hardship to the ordinary wage-worker and his family to have the effect of such an accident fall solely upon him; and, on the other hand, there are whole classes of attorneys who exist only by inciting men who may or may not have been wronged to undertake suits for negligence. As a matter of fact a suit for negligence is generally an inadequate remedy for the person injured, while it often causes altogether disproportionate annoyance to the employer. The law should be made such that the payment for accidents by the employer would be automatic instead of being a matter for lawsuits. Workmen should receive certain and definite compensation for all accidents in industry irrespective of negligence. The employer is the agent of the public and on his own responsibility and for his own profit he serves the public. When he starts in motion agencies which create risks for others, he should take all the ordinary and extraordinary risks involved; and the risk he thus at the moment assumes will ultimately be assumed, as it ought to be, by the general public. Only in this way can the shock of the accident be diffused, instead of falling upon the man or woman least able to bear it, as is now the case. The community at large should share the burdens as well as the benefits of industry. By the proposed law, employers would gain a desirable certainty of obligation and get rid of litigation to determine it, while the workman and his family would be relieved from a crushing load. With such a policy would come increased care, and accidents would be reduced in number. The National laws providing for employers' liability on railroads engaged in interstate commerce and for safety appliances, as well as for diminishing the hours any employee of a railroad should be permitted to work, should all be strengthened wherever in actual practice they have shown weakness; they should be kept on the statute books in thoroughgoing form.

The constitutionality of the employers' liability act passed by the preceding Congress has been carried before the courts. In two jurisdictions the law has been declared unconstitutional, and in three jurisdictions its constitutionality has been affirmed. The question has been carried to the Supreme Court, the case has been heard by that tribunal, and a decision is expected at an early date. In the event that the court should affirm the constitutionality of the act, I urge further legislation along the lines advocated in my Message to the preceding Congress. The practice of putting the entire burden of loss to life or limb upon the victim or the victim's family is a form of social injustice in which the United States stands in unenviable prominence. In both our Federal and State legislation we have, with few exceptions, scarcely gone farther than the repeal of the fellow-servant principle of the old law of liability, and in some of our States even this slight modification of a completely outgrown principle has not yet been secured. The legislation of the rest of the industrial world stands out in striking contrast to our backwardness in this respect. Since 1895 practically every country of Europe, together with Great Britain, New Zealand, Australia, British Columbia, and the Cape of Good Hope has enacted legislation embodying in one form or another the complete recognition of the principle which places upon the employer the entire trade risk in the various lines of industry. I urge upon the Congress the enactment of a law which will at the same time bring Federal legislation up to the standard already established by all the European countries, and which will serve as a stimulus to the various States to perfect their legislation in this regard.

The Congress should consider the extension of the eight-hour law. The constitutionality of the present law has recently been called into question, and the Supreme Court has decided that the existing legislation is unquestionably within the powers of the Congress. The principle of the eight-hour day should as rapidly and as far as practicable be extended to the entire work carried on by the Government; and the present law should be amended to embrace contracts on those public works which the present wording of the act has been construed to exclude. The general introduction of the eight-hour day should be the goal toward which we should steadily tend, and the Government should set the example in this respect.

Strikes and lockouts, with their attendant loss and suffering, continue to increase. For the five years ending December 31, 1905, the number of strikes was greater than those in any previous ten years and was double the number in the preceding five years. These figures indicate the increasing need of providing some machinery to deal with this class of disturbance in the interest alike of the employer, the employee, and the general public. I renew my previous recommendation that the Congress favorably consider the matter of creating the machinery for compulsory investigation of such industrial controversies as are of sufficient magnitude and of sufficient concern to the people of the country as a whole to warrant the Federal Government in taking action.

The need for some provision fo rsuch investigation was forcibly illustrated during the past summer. A strike of telegraph operators seriously interfered with telegraphic communication, causing great damage to business interests and serious inconvenience to the general public. Appeals were made to me from many parts of the country, from city councils, from boards of trade, from chambers of commerce, and from labor organizations, urging that steps be taken to terminate the strike. Everything that could with any propriety be done by a representative of the Government was done, without avail, and for weeks the public stood by and suffered without recourse of any kind. Had the machinery existed and had there been authority for compulsory investigation of the dispute, the public would have been placed in possession of the merits of the controversy, and public opinion would probably have brought about a prompt adjustment.

Each successive step creating machinery for the adjustment of labor difficulties must be taken with caution, but we should endeavor to make progress in this direction.

The provisions of the act of 1898 creating the chairman of the Interstate Commerce Commission and the Commissioner of Labor a board of mediation in controversies between interstate railroads and their employees has, for the first time, been subjected to serious tests within the past year, and the wisdom of the experiment has been fully demonstrated. The creation of a board for compulsory investigation in cases where mediation fails and arbitration is rejected is the next logical step in a progressive program.

It is certain that for some time to come there will be a constant increase absolutely, and perhaps relatively, of those among our citizens who dwell in cities or towns of some size and who work for wages. This means that there will be an ever-increasing need to consider the problems inseparable from a great industrial civilization. Where an immense and complex business, especially in those branches relating to manufacture and transportation, is transacted by a large number of capitalists who employ a very much larger number of wage-earners, the former tend more and more to combine into corporations and the latter into unions. The relations of the capitalist and wage-worker to one another, and of each to the general public, are not always easy to adjust; and to put them and keep them on a satisfactory basis is one of the most important and one of the most delicate tasks before our whole civilization. Much of the work for the accomplishment of this end must be done by the individuals concerned themselves, whether singly or in combination; and the one fundamental fact that must never be lost track of is that the character of the average man, whether he be a man of means or a man who works with his hands, is the most important factor in solving the problem aright. But it is almost equally important to remember that without good laws it is also impossible to reach the proper solution. It is idle to hold that without good laws evils such as child labor, as the over-working of women, as the failure to protect employees from loss of life or limb, can be effectively reached, any more than the evils of rebates and stock-watering can be reached without good laws. To fail to stop these practices by legislation means to force honest men into them, because otherwise the dishonest who surely will take advantage of them will have everything their own way. If the States will correct these evils, well and good; but the Nation must stand ready to aid them.

No question growing out of our rapid and complex industrial development is more important than that of the employment of women and children. The presence of women in industry reacts with extreme directness upon the character of the home and upon family life, and the conditions surrounding the employment of children bear a vital relation to our future citizenship. Our legislation in those areas under the control of the Congress is very much behind the legislation of our more progressive States. A thorough and comprehensive measure should be adopted at this session of the Congress relating to the employment of women and children in the District of Columbia and the Territories. The investigation into the condition of women and children wage-earners recently authorized and directed by the Congress is now being carried on in the various States, and I recommend that the appropriation made last year for beginning this work be renewed, in order that we may have the thorough and comprehensive investigation which the subject demands. The National Government has as an ultimate resort for control of child labor the use of the interstate commerce clause to prevent the products of child labor from entering into interstate commerce. But before using this it ought certainly to enact model laws on the subject for the Territories under its own immediate control.

There is one fundamental proposition which can be laid down as regards all these matters, namely: While honesty by itself will not solve the problem, yet the insistence upon honesty—not merely technical honesty, but honesty in purpose and spirit—is an essential element in arriving at a right conclusion. Vice in its cruder and more archaic forms shocks everybody; but there is very urgent need that public opinion should be just as severe in condemnation of the vice which hides itself behind class or professional loyalty, or which denies that it is vice if it can escape conviction in the courts. The public and the representatives of the public, the high officials, whether on the bench or in executive or legislative positions, need to remember that often the most dangerous criminals, so far as the life of the Nation is concerned, are not those who commit the crimes known to and condemned by the popular conscience for centuries, but those who commit crimes only rendered possible by the complex conditions of our modern industrial life. It makes not a particle of difference whether these crimes are committed by a capitalist or by a laborer, by a leading banker or manufacturer or railroad man, or by a leading representative of a labor union. Swindling in stocks, corrupting legislatures, making fortunes by the inflation of securities, by wrecking railroads, by destroying competitors through rebates—these forms of wrongdoing in the capitalist, are far more infamous than any ordinary form of embezzlement or forgery; yet it is a matter of extreme difficulty to secure the punishment of the man most guilty of them, most responsible for them. The business man who condones such conduct stands on a level with the labor man who deliberately supports a corrupt demagogue and agitator, whether head of a union or head of some municipality, because he is said to have "stood by the union." The members of the business community, the educators, or clergymen, who condone and encourage the first kind of wrongdoing, are no more dangerous to the community, but are morally even worse, than the labor men who are guilty of the second type of wrongdoing, because less is to be pardoned those who have no such excuse as is furnished either by ignorance or by dire need.

When the Department of Agriculture was founded there was much sneering as to its usefulness. No Department of the Government, however, has more emphatically vindicated its usefulness, and none save the Post-Office Department comes so continually and intimately into touch with the people. The two citizens whose welfare is in the aggregate most vital to the welfare of the Nation, and therefore to the welfare of all other citizens, are the wage-worker who does manual labor and the tiller of the soil, the farmer. There are, of course, kinds of labor where the work must be purely mental, and there are other kinds of labor where, under existing conditions, very little demand indeed is made upon the mind, though I am glad to say that the proportion of men engaged in this kind of work is diminishing. But in any community with the solid, healthy qualities which make up a really great nation the bulk of the people should do work which calls for the exercise of both body and mind. Progress can not permanently exist in the abandonment of physical labor, but in the development of physical labor, so that it shall represent more and more the work of the trained mind in the trained body. Our school system is gravely defective in so far as it puts a premium upon mere literary training and tends therefore to train the boy away from the farm and the workshop. Nothing is more needed than the best type of industrial school, the school for mechanical industries in the city, the school for practically teaching agriculture in the country. The calling of the skilled tiller of the soil, the calling of the skilled mechanic, should alike be recognized as professions, just as emphatically as the callings of lawyer, doctor, merchant, or clerk. The schools recognize this fact and it should equally be recognized in popular opinion. The young man who has the farsightedness and courage to recognize it and to get over the idea that it makes a difference whether what he earns is called salary or wages, and who refuses to enter the crowded field of the so-called professions, and takes to constructive industry instead, is reasonably sure of an ample reward in earnings, in health, in opportunity to marry early, and to establish a home with a fair amount of freedom from worry. It should be one of our prime objects to put both the farmer and the mechanic on a higher plane of efficiency and reward, so as to increase their effectiveness in the economic world, and therefore the dignity, the remuneration, and the power of their positions in the social world.

No growth of cities, no growth of wealth, can make up for any loss in either the number or the character of the farming population. We of the United States should realize this above almost all other peoples. We began our existence as a nation of farmers, and in every great crisis of the past a peculiar dependence has had to be placed upon the farming population; and this dependence has hitherto been justified. But it can not be justified in the future if agriculture is permitted to sink in the scale as compared with other employments. We can not afford to lose that preeminently typical American, the farmer who owns his own medium-sized farm. To have his place taken by either a class of small peasant proprietors, or by a class of great landlords with tenant-farmed estates would be a veritable calamity. The growth ot our cities is a good thing but only in so far as it does not mean a growth at the expense of the country farmer. We must welcome the rise of physical sciences in their application to agricultural practices, and we must do all we can to render country conditions more easy and pleasant. There are forces which now tend to bring about both these results, but they are, as yet, in their infancy. The National Government through the Department of Agriculture should do all it can by joining with the State governments and with independent associations of farmers to encourage the growth in the open farming country of such institutional and social movements as will meet the demand of the best type of farmers, both for the improvement of their farms and for the betterment of the life itself. The Department of Agriculture has in many places, perhaps especially in certain districts of the South, accomplished an extraordinary amount by cooperating with and teaching the farmers through their associations, on their own soil, how to increase their income by managing their farms better than they were hitherto managed. The farmer must not lose his independence, his initiative, his rugged self-reliance, yet he must learn to work in the heartiest cooperation with his fellows, exactly as the business man has learned to work; and he must prepare to use to constantly better advantage the knowledge that can be obtained from agricultural colleges, while he must insist upon a practical curriculum in the schools in which his children are taught. The Department of Agriculture and the Department of Commerce and Labor both deal with the fundamental needs of our people in the production of raw material and its manufacture and distribution, and, therefore, with the welfare of those who produce it in the raw state, and of those who manufacture and distribute it. The Department of Commerce and Labor has but recently been founded but has already justified its existence; while the Department of Agriculture yields to no other in the Government in the practical benefits which it produces in proportion to the public money expended. It must continue in the future to deal with growing crops as it has dealt in the past, but it mnst still further extend its field of usefulness hereafter by dealing with live men, through a far-reaching study and treatment of the problems of farm life alike from the industrial and economic and social standpoint. Farmers must cooperate with one another and with the Government, and the Government can best give its aid through associations of farmers, so as to deliver to the farmer the large body of agricultural knowledge which has been accumulated by the National and State governments and by the agricultural colleges and schools.

The grain producing industry of the country, one of the most important in the United States, deserves special consideration at the hands of the Congress. Our grain is sold almost exclusively by grades. To secure satisfactory results in our home markets and to facilitate our trade abroad, these grades should approximate the highest degree of uniformity and certainty. The present diverse methods of inspection and grading throughout the country under different laws and boards, result in confusion and lack of uniformity, destroying that confidence which is necessary for healthful trade. Complaints against the present methods have continued for years and they are growing in volume and intensity, not only in this country but abroad. I therefore suggest to the Congress the advisability of a National system of inspection and grading of grain entering into interstate and foreign commerce as a remedy for the present evils.

The conservation of our natural resources and their proper use constitute the fundamental problem which underlies almost every other problem of our National life. We must maintain for our civilization the adequate material basis without which that civilization can not exist. We must show foresight, we must look ahead. As a nation we not only enjoy a wonderful measure of present prosperity but if this prosperity is used aright it is an earnest of future success such as no other nation will have. The reward of foresight for this Nation is great and easily foretold. But there must be the look ahead, there must be a realization of the fact that to waste, to destroy, our natural resources, to skin and exhaust the land instead of using it so as to increase its usefulness, will result in undermining in the days of our children the very prosperity which we ought by right to hand down to them amplified and developed. For the last few years, through several agencies, the Government has been endeavoring to get our people to look ahead and to substitute a planned and orderly development of our resources in place of a haphazard striving for immediate profit. Our great river systems should be developed as National water highways, the Mississippi, with its tributaries, standing first in importance, and the Columbia second, although there are many others of importance on the Pacific, the Atlantic and the Gulf slopes. The National Government should undertake this work, and I hope a beginning will be made in the present Congress; and the greatest of all our rivers, the Mississippi, should receive especial attention. From the Great Lakes to the mouth of the Mississippi there should be a deep waterway, with deep waterways leading from it to the East and the West. Such a waterway would practically mean the extension of our coast line into the very heart of our country. It would be of incalculable benefit to our people. If begun at once it can be carried through in time appreciably to relieve the congestion of our great freight-carrying lines of railroads. The work should be systematically and continuously carried forward in accordance with some well-conceived plan. The main streams should be improved to the highest point of efficiency before the improvement of the branches is attempted; and the work should be kept free from every taint of recklessness or jobbery. The inland waterways which lie just back of the whole eastern and southern coasts should likewise be developed. Moreover, the development of our waterways involves many other important water problems, all of which should be considered as part of the same general scheme. The

Government dams should be used to produce hundreds of thousands of horsepower as an incident to improving navigation; for the annual value of the unused water-power of the United States perhaps exceeds the annual value of the products of all our mines. As an incident to creating the deep waterways down the Mississippi, the Government should build along its whole lower length levees which taken together with the control of the headwaters, will at once and forever put a complete stop to all threat of floods in the immensely fertile Delta region. The territory lying adjacent to the Mississippi along its lower course will thereby become one of the most prosperous and populous, as it already is one of the most fertile, farming regions in all the world. I have appointed an Inland Waterways Commission to study and outline a comprehensive scheme of development along all the lines indicated. Later I shall lay its report before the Congress.

Irrigation should be far more extensively developed than at present, not only in the States of the Great Plains and the Rocky Mountains, but in many others, as, for instance, in large portions of the South Atlantic and Gulf States, where it should go hand in hand with the reclamation of swamp land. The Federal Government should seriously devote itself to this task, realizing that utilization of waterways and water-power, forestry, irrigation, and the reclamation of lands threatened with overflow, are all interdependent parts of the same problem. The work of the Reclamation Service in developing the larger opportunities of the western half of our country for irrigation is more important than almost any other movement. The constant purpose of the Government in connection with the Reclamation Service has been to use the water resources of the public lands for the ultimate greatest good of the greatest number; in other words, to put upon the land permanent home-makers, to use and develop it for themselves and for their children and children's children. There has been, of course, opposition to this work; opposition from some interested men who desire to exhaust the land for their own immediate profit without regard to the welfare of the next generation, and opposition from honest and well-meaning men who did not fully understand the subject or who did not look far enough ahead. This opposition is, I think, dying away, and our people are understanding that it would be utterly wrong to allow a few individuals to exhaust for their own temporary personal profit the resources which ought to be developed through use so as to be conserved for the permanent common advantage of the people as a whole.

The effort of the Government to deal with the public land has been based upon the same principle as that of the Reclamation Service. The land law system which was designed to meet the needs of the fertile and well-watered regions of the Middle West has largely broken down when applied to the dryer regions of the Great Plains, the mountains, and much of the Pacific slope, where a farm of 160 acres is inadequate for self-support. In these regions the system lent itself to fraud, and much land passed out of the hands of the Government without passing into the hands of the home-maker. The Department of the Interior and the Department of Justice joined in prosecuting the offenders against the law; and they have accomplished much, while where the administration of the law has been defective it has been changed. But the laws themselves are defective. Three years ago a public lands commission was appointed to scrutinize the law, and defects, and recommend a remedy. Their examination specifically showed the existence of great fraud upon the public domain, and their recommendations for changes in the law were made with the design of conserving the natural resources of every part of the public lands by putting it to its best use. Especial attention was called to the prevention of settlement by the passage of great areas of public land into the hands of a few men, and to the enormous waste caused by unrestricted grazing upon the open range. The recommendations of the Public Lands Commission are sound, for they are especially in the interest of the actual home-maker; and where the small home-maker can not at present utilize the land they provide that the Government shall keep control of it so that it may not be monopolized by a few men. The Congress has not yet acted upon these recommendations; but they are so just and proper, so essential to our National welfare, that I feel confident, if the Congress will take time to consider them, that they will ultimately be adopted.

Some such legislation as that proposed is essential in order to preserve the great stretches of public grazing land which are unfit for cultivation under present methods and are valuable only for the forage which they supply. These stretches amount in all to some 300,000,000 acres, and are open to the free grazing of cattle, sheep, horses and goats, without restriction. Such a system, or lack of system, means that the range is not so much used as wasted by abuse. As the West settles the range becomes more and more over-grazed. Much of it can not be used to advantage unless it is fenced, for fencing is the only way by which to keep in check the owners of nomad flocks which roam hither and thither, utterly destroying the pastures and leaving a waste behind so that their presence is incompatible with the presence of home-makers. The existing fences are all illegal. Some of them represent the improper exclusion of actual settlers, actual home-makers, from territory which is usurped by great cattle companies. Some of them represent what is in itself a proper effort to use the range for those upon the land, and to prevent its use by nomadic outsiders. All these fences, those that are hurtful and those that are beneficial, are alike illegal and must come down. But it is an outrage that the law should necessitate such action on the part of the Administration. The unlawful fencing of public lands for private grazing must be stopped, but the necessity which occasioned it must be provided for. The Federal Government should have control of the range, whether by permit or lease, as local necessities may determine. Such control could secure the great benefit of legitimate fencing, while at the same time securing and promoting the settlement of the country. In some places it may be that the tracts of range adjacent to the homesteads of actual settlers should be allotted to them severally or in common for the summer grazing of their stock. Elsewhere it may be that a lease system would serve the purpose; the leases to be temporary and subject to the rights of settlement, and the amount charged being large enough merely to permit of the efficient and beneficial control of the range by the Government, and of the payment to the county of the equivalent of what it would otherwise receive in taxes. The destruction of the public range will continue until some such laws as these are enacted. Fully to prevent the fraud in the public lands which, through the joint action of the Interior Department and the Department of Justice, we have been endeavoring to prevent, there must be further legislation, and especially a sufficient appropriation to permit the Department of the Interior to examine certain classes of entries on the ground before they pass into private ownership. The Government should part with its title only to the actual home-maker, not to the profit-maker who does not care to make a home.. Our prime object is to secure the rights and guard the interests of the small ranchman, the man who plows and pitches hay for himself. It is this small ranchman, this actual settler and home-maker, who in the long run is most hurt by permitting thefts of the public land in whatever form.

Optimism is a good characteristic, but if carried to an excess it becomes foolishness. We are prone to speak of the resources of this country as inexhaustible; this is not so. The mineral wealth of the country, the coal, iron, oil, gas, and the like, does not reproduce itself, and therefore is certain to be exhausted ultimately; and wastefulness in dealing with it to-day means that our descendants will feel the exhaustion a generation or two before they otherwise would. But there are certain other forms of waste which could be entirely stopped—the waste of soil by washing, for instance, which is among the most dangerous of all wastes now in progress in the United States, is easily preventable, so that this present enormous loss of fertility is entirely unnecessary. The preservation or replacement of the forests is one of the most important means of preventing this loss. We have made a beginning in forest preservation, but it is only a beginning. At present lumbering is the fourth greatest industry in the United States; and yet, so rapid has been the rate of exhaustion of timber in the United States in the past, and so rapidly is the remainder being exhausted, that the country is unquestionably on the verge of a timber famine which will be felt in every household in the land. There has already been a rise in the price of lumber, but there is certain to be a more rapid and heavier rise in the future. The present annual consumption of lumber is certainly three times as great as the annual growth; and if the consumption and growth continue unchanged, practically all our lumber will be exhausted in another generation, while long before the limit to complete exhaustion is reached the growing scarcity will make itself felt in many blighting ways upon our National welfare. About 20 per cent of our forested territory is now reserved in National forests; but these do not include the most valuable timber lands, and in any event the proportion is too small to expect that the reserves can accomplish more than a mitigation of the trouble which is ahead for the nation. Far more drastic action is needed. Forests can be lumbered so as to give to the public the full use of their mercantile timber without the slightest detriment to the forest, any more than it is a detriment to a farm to furnish a harvest; so that there is no parallel between forests and mines, which can only be completely used by exhaustion. But forests, if used as all our forests have been used in the past and as most of them are still used, will be either wholly destroyed, or so damaged that many decades have to pass before effective use can be made of them again. All these facts are so obvious that it is extraordinary that it should be necessary to repeat them. Every business man in the land, every writer in the newspapers, every man or woman of an ordinary school education, ought to be able to see that immense quantities of timber are used in the country, that the forests which supply this timber are rapidly being exhausted, and that, if no change takes place, exhaustion will come comparatively soon, and that the effects of it will be felt severely in the every-day life of our people. Surely, when these facts are so obvious, there should be no delay in taking preventive measures. Yet we seem as a nation to be willing to proceed in this matter with happy-go-lucky indifference even to the immediate future. It is this attitude which permits the self-interest of a very few persons to weigh for more than the ultimate interest of all our people. There are persons who find it to their immense pecuniary benefit to destroy the forests by lumbering. They are to be blamed for thus sacrificing the future of the Nation as a whole to their own self-interest of the moment; but heavier blame attaches to the people at large for permitting such action, whether in the White Mountains, in the southern Alleghenies, or in the Rockies and Sierras. A big lumbering company, impatient for immediate returns and not caring to look far enough ahead, will often deliberately destroy all the good timber in a region, hoping afterwards to move on to some new country. The shiftless man of small means, who does not care to become an actual home-maker but would like immediate profit, will find it to his advantage to take up timber land simply to turn it over to such a big company, and leave it valueless for future settlers. A big mine owner, anxious only to develop his mine at the moment, will care only to cut all the timber that he wishes without regard to the future—probably not looking ahead to the condition of the country when the forests are exhausted, any more than he does to the condition when the mine is worked out. I do not blame these men nearly as much as I blame the supine public opinion, the indifferent public opinion, which permits their action to go unchecked. Of course to check the waste of timber means that there must be on the part of the public the acceptance of a temporary restriction in the lavish use of the timber, in order to prevent the total loss of this use in the future. There are plenty of men in public and private life who actually advocate the continuance of the present system of unchecked and wasteful extravagance, using as an argument the fact that to check it will of course mean interference with the ease and comfort of certain people who now get lumber at less cost than they ought to pay, at the expense of the future generations. Some of these persons actually demand that the present forest reserves be thrown open to destruction, because, forsooth, they think that thereby the price of lumber could be put down again for two or three or more years. Their attitude is precisely like that of an agitator protesting against the outlay of money by farmers on manure and in taking care of their farms generally. Undoubtedly, if the average farmer were content absolutely to ruin his farm, he could for two or three years avoid spending any money on it, and yet make a good deal of money out of it. But only a savage would, in his private affairs, show such reckless disregard of the future; yet it is precisely this reckless disregard of the future which the opponents of the forestry system are now endeavoring to get the people of the United States to show. The only trouble with the movement for the preservation of our forests is that it has not gone nearly far enough, and was not begun soon enough. It is a most fortunate thing, however, that we began it when we did. We should acquire in the Appalachian and White Mountain regions all the forest lands that it is possible to acquire for the use of the Nation. These lands, because they form a National asset, are as emphatically national as the rivers which they feed, and which flow through so many States before they reach the ocean.

There should be no tariff on any forest product grown in this country; and, in especial, there should be no tariff on wood pulp; due notice of the change being of course given to those engaged in the business so as to enable them to adjust themselves to the new conditions.

The repeal of the duty on wood pulp should if possible be accompanied by an agreement with Canada that there shall be no export duty on Canadian pulp wood.

In the eastern United States the mineral fuels have already passed into the hands of large private owners, and those of the West are rapidly following. It is obvious that these fuels should be conserved and not wasted, and it would be well to protect the people against unjust and extortionate prices, so far as that can still be done. What has been accomplished in the great oil fields of the Indian Territory by the action of the Administration, offers a striking example of the good results of such a policy. In my judgment the Government should have the right to keep the fee of the coal, oil, and gas fields in its own possession and to lease the rights to develop them under proper regulations; or else, if the Congress will not adopt this method, the coal deposits should be sold under limitations, to conserve them as public utilities, the right to mine coal being separated from the title to the soil. The regulations should permit coal lands to be worked in sufficient quantity by the several corporations. The present limitations have been absurd, excessive, and serve no useful purpose, and often render it necessary that there should be either fraud or close abandonment of the work of getting out the coal.

Work on the Panama Canal is proceeding in a highly satisfactory manner. In March last, John F. Stevens, chairman of the Commission and chief engineer, resigned, and the Commission was reorganized and constituted as follows: Lieut. Col. George W. Goethals, Corps of Engineers, U. S. Army, chairman and chief engineer; Maj. D. D. Gaillard, Corps of Engineers, U. S. Army; Maj. William L. Sibert, Corps of Engineers, U. S. Army; Civil Engineer H. H. Rousseau, U. S. Navy; Mr. J. C. S. Blackburn; Col. W. C. Gorgas, U. S. Army, and Mr. Jackson Smith, Commissioners. This change of authority and direction went into effect on April 1, without causing a perceptible check to the progress of the work. In March the total excavation in the Culebra Cut, where effort was chiefly concentrated, was 815,270 cubic yards. In April this was increased to 879,527 cubic yards. There was a considerable decrease in the output for May and June owing partly to the advent of the rainy season and partly to temporary trouble with the steam shovel men over the question of wages. This trouble was settled satisfactorily to all parties and in July the total excavation advanced materially and in August the grand total from all points in the canal prism by steam shovels and dredges exceeded all previous United States records, reaching 1,274,404 cubic yards. In September this record was eclipsed and a total of 1,517,412 cubic yards was removed. Of this amount 1,481,307 cubic yards were from the canal prism and 36,105 cubic yards were from accessory works.. These results were achieved in the rainy season with a rainfall in August of 11.89 inches and in September of 11.65 inches. Finally, in October, the record was again eclipsed, the total excavation being 1,868,729 cubic yards; a truly extraordinary record, especially in view of the heavy rainfall, which was 17.1 inches. In fact, experience during the last two rainy seasons demonstrates that the rains are a less serious obstacle to progress than has hitherto been supposed.

Work on the locks and dams at Gatun, which began actively in March last, has advanced so far that it is thought that masonry work on the locks can be begun within fifteen months. In order to remove all doubt as to the satisfactory character of the foundations for the locks of the Canal, the Secretary of War requested three eminent civil engineers, of special experience in such construction, Alfred Noble, Frederic P. Stearns and John R. Freeman, to visit the Isthmus and make thorough personal investigations of the sites. These gentlemen went to the Isthmus in April and by means of test pits which had been dug for the purpose, they inspected the proposed foundations, and also examined the borings that had been made. In their report to the Secretary of War, under date of May 2, 1907, they said: "We found that all of the locks, of the dimensions now propesed, will rest upon rock of such character that it will furnish a safe and stable foundation." Subsequent new borings, conducted by the present Commission, have fully confirmed this verdict. They show that the locks will rest on rock for their entire length. The cross section of the dam and method of construction will be such as to insure against any slip or sloughing off. Similar examination of the foundations of the locks and dams on the Pacific side are in progress. I believe that the locks should be made of a width of 120 feet.

Last winter bids were requested and received for doing the work of canal construction by contract. None of them was found to be satisfactory and all were rejected. It is the unanimous opinion of the present Commission that the work can be done better, more cheaply, and more quickly by the Government than by private contractors. Fully 80 per cent of the entire plant needed for construction has been purchased or contracted for; machine shops have been erected and equipped for making all needed repairs to the plant; many thousands of employees have been secured; an effective organization has been perfected; a recruiting system is in operation which is capable of furnishing more labor than can be used advantageously; employees are well sheltered and well fed; salaries paid are satisfactory, and the work is not only going forward smoothly, but it is producing results far in advance of the most sanguine anticipations. Under these favorable conditions, a change in the method of prosecuting the work would be unwise and unjustifiable, for it would inevitably disorganize existing conditions, check progress, and increase the cost and lengthen the time of completing the Canal.

The chief engineer and all his professional associates are firmly convinced that the 85 feet level lock canal which they are constructing is the best that could be desired. Some of them had doubts on this point when they went to the Isthmus. As the plans have developed under their direction their doubts have been dispelled. While they may decide upon changes in detail as construction advances they are in hearty accord in approving the general plan. They believe that it provides a canal not only adequate to all demands that will be made upon it but superior in every way to a sea level canal. I concur in this belief.

I commend to the favorable consideration of the Congress a postal savings bank system, as recommended by the Postmaster-General. The primary object is to encourage among our people economy and thrift and by the use of postal savings banks to give them an opportunity to husband their resources, particularly those who have not the facilities at hand for depositing their money in savings banks. Viewed, however, from the experience of the past few weeks, it is evident that the advantages of such an institution are still more far-reaching. Timid depositors have withdrawn their savings for the time being from national banks, trust companies, and savings banks; individuals have hoarded their cash and the workingmen their earnings; all of which money has been withheld and kept in hiding or in safe deposit box to the detriment of prosperity. Through the agency of the postal savings banks such money would be restored to the channels of trade, to the mutual benefit of capital and labor.

I further commend to the Congress the consideration of the Postmaster-General's recommendation for an extension of the parcel post, especially on the rural routes. There are now 38,215 rural routes, serving nearly 15,000,000 people who do not have the advantages of the inhabitants of cities in obtaining their supplies. These recommendations have been drawn up to benefit the farmer and the country storekeeper; otherwise, I should not favor them, for I believe that it is good policy for our Government to do everything possible to aid the small town and the country district. It is desirable that the country merchant should not be crushed out.

The fourth-class postmasters' convention has passed a very strong resolution in favor of placing the fourth-class postmasters under the civil-service law. The Administration has already put into effect the policy of refusing to remove any fourth-class postmasters save for reasons connected with the good of the service; and it is endeavoring so far as possible to remove them from the domain of partisan politics. It would be a most desirable thing to put the fourth-class postmasters in the classified service. It is possible that this might be done without

Congressional action, but, as the matter is debatable, I earnestly recommend that the Congress enact a law providing that they be included under the civil-service law and put in the classified service.

Oklahoma has become a State, standing on a full equality with her elder sisters, and her future is assured by her great natural resources. The duty of the National Government to guard the personal and property rights of the Indians within her borders remains of course unchanged.

I reiterate my recommendations of last year as regards Alaska. Some form of local self-government should be provided, as simple and inexpensive as possible; it is impossible for the Congress to devote the necessary time to all the little details of necessary Alaskan legislation. Road building and railway building should be encouraged. The Governor of Alaska should begiven an ample appropriation wherewith to organize a force to preserve the public peace. Whisky selling to the natives should be made a felony. The coal land laws should be changed so as to meet the peculiar needs of the Territory. This should be attended to at once; for the present laws permit individuals to locate large areas of the public domain for speculative purposes; and cause an immense amount of trouble, fraud, and litigation. There should be another judicial division established. As early as possible lighthouses and buoys should be established as aids to navigation, especially in and about Prince William Sound, and the survey of the coast completed. There is need of liberal appropriations for lighting and buoying the southern coast and improving the aids to navigation in southeastern Alaska. One of the great industries of Alaska, as of Puget Sound and the Columbia, is salmon fishing. Gradually, by reason of lack of proper laws, this industry is being ruined; it should now be taken in charge, and effectively protected, by the United States Government.

The courage and enterprise of the citizens of the far Northwest in their projected Alaskan-Yukon-Pacific Exposition, to be held in 1909, should receive liberal encouragement. This exposition is not sentimental in its conception, but seeks to exploit the natural resources of Alaska and to promote the commerce, trade, and industry of the Pacific States with their neighboring States and with our insular possessions and the neighboring countries of the Pacific. The exposition asks no loan from the Congress but seeks appropriations for National exhibits and exhibits of the western dependencies of the General Government. The State of Washington and the city of Seattle have shown the characteristic western enterprise in large donations for the conduct of this exposition in which other States are lending generous assistance.

The unfortunate failure of the shipping bill at the last session of the last Congress was followed by the taking off of certain Pacific steamships, which has greatly hampered the movement of passengers between Hawaii and the mainland. Unless the Congress is prepared by positive encouragement to secure proper facilities in the way of shipping between Hawaii and the mainland, then the coastwise shipping laws should be so far relaxed as to prevent Hawaii suffering as it is now suffering. I again call your attention to the capital importance from every standpoint of making Pearl Harbor available for the largest deep water vessels, and of suitably fortifying the island.

The Secretary of War has gone to the Philippines. On his return I shall submit to you his report on the islands.

I again recommend that the rights of citizenship be conferred upon the people of Porto Rico.

A bureau of mines should be created under the control and direction of the Secretary of the Interior; the bureau to have power to collect statistics and make investigations in all matters pertaining to mining and particularly to the accidents and dangers of the industry. If this can not now be done, at least additional appropriations should be given the Interior Department to be used for the study of mining conditions, for the prevention of fraudulent mining schemes, for carrying on the work of mapping the mining districts, for studying methods for minimizing the accidents and dangers in the industry; in short, to aid in all proper ways the development of the mining industry.

I strongly recommend to the Congress to provide funds for keeping up the Hermitage, the home of Andrew Jackson; these funds to be used through the existing Hermitage Association for the preservation of a historic building which should ever be dear to Americans.

I further recommend that a naval monument be established in the Vicksburg National Park. This national park gives a unique opportunity for commemorating the deeds of those gallant men who fought on water, no less than of those who fought on land, in the great civil war.

Legislation should be enacted at the present session of the Congress for the Thirteenth Census. The establishment of the permanent Census Bureau affords the opportunity for a better census than we have ever had, but in order to realize the full advantage of the permanent organization, ample time must be given for preparation.

There is a constantly growing interest in this country in the question of the public health. At last the public mind is awake to the fact that many diseases, notably tuberculosis, are National scourges. The work of the State and city boards of health should be supplemented by a constantly increasing interest on the part of the National Government. The Congress has already provided a bureau of public health and has provided for a hygienic laboratory. There are other valuable laws relating to the public health connected with the various departments. This whole branch of the Government should be strengthened and aided in every way.

I call attention to two Government commissions which I have appointed and which have already done excellent work. The first of these has to do with the organization of the scientific work of the Government, which has grown up wholly without plan and is in consequence so unwisely distributed among the Executive Departments that much of its effect is lost for the lack of proper coordination. This commission's chief object is to introduce a planned and orderly development and operation in the place of the ill-assorted and often ineffective grouping and methods of work which have prevailed. This can not be done without legislation, nor would it be feasible to deal in detail with so complex an administrative problem by specific provisions of law. I recommend that the President be given authority to concentrate related lines of work and reduce duplication by Executive order through transfer and consolidation of lines of work.

The second committee, that on Department methods, was instructed to investigate and report upon the changes needed to place the conduct of the executive force of the Government on the most economical and effective basis in the light of the best modern business practice. The committee has made very satisfactory progress. Antiquated practices and bureaucratic ways have been abolished, and a general renovation of departmental methods has been inaugurated. All that can be done by Executive order has already been accomplished or will be put into effect in the near future. The work of the main committee and its several assistant committees has produced a wholesome awakening on the part of the great body of officers and employees engaged in Government work. In nearly every Department and office there has been a careful self-inspection for the purpose of remedying any defects before they could be made the subject of adverse criticism. This has led individuals to a wider study of the work on which they were engaged, and this study has resulted in increasing their efficiency in their respective lines of work. There are recommendations of special importance from the committee on the subject of personnel and the classification of salaries which will require legislative action before they can be put into effect. It is my intention to submit to the Congress in the near future a special message on those subjects.

Under our form of government voting is not merely a right but a duty, and, moreover, a fundamental and necessary duty if a man is to be a good citizen. It is well to provide that corporations shall not contribute to Presidential or National campaigns, and furthermore to provide for the publication of both contributions and expenditures. There is, however, always danger in laws of this kind, which from their very nature are difficult of enforcement; the danger being lest they be obeyed only by the honest, and disobeyed by the unscrupulous, so as to act only as a penalty upon honest men. Moreover, no such law would hamper an unscrupulous man of unlimited means from buying his own way into office. There is a very radical measure which would, I believe, work a substantial improvement in our system of conducting a campaign, although I am well aware that it will take some time for people so to familiarize themselves with such a proposal as to be willing to consider its adoption. The need for collecting large campaign funds would vanish if Congress provided an appropriation for the proper and legitimate expenses of each of the great national parties, an appropriation ample enough to meet the necessity for thorough organization and machinery, which requires a large expenditure of money. Then the stipulation should be made that no party receiving campaign funds from the Treasury should accept more than a fixed amount from any individual subscriber or donor; and the necessary publicity for receipts and expenditures could without difficulty be provided.

There should be a National gallery of art established in the capital city of this country. This is important not merely to the artistic but to the material welfare of the country; and the people are to be congratulated on the fact that the movement to establish such a gallery is taking definite form under the guidance of the Smithsonian Institution. So far from there being a tariff on works of art brought into the country, their importation should be encouraged in every way. There have been no sufficient collections of objects of art by the Government, and what collections have been acquired are scattered and are generally placed in unsuitable and imperfectly lighted galleries.

The Biological Survey is quietly working for the good of our agricultural interests, and is an excellent example of a Government bureau which conducts original scientific research the findings of which are of much practical utility. For more than twenty years it has studied the food habits of birds and mammals that are injurious or beneficial to agriculture, horticulture, and forestry; has distributed illustrated bulletins on the subject, and has labored to secure legislative protection for the beneficial species. The cotton boll-weevil, which has recently overspread the cotton belt of Texas and is steadily extending its range, is said to cause an annual loss of about $3,000,000. The Biological Survey has ascertained and gives wide publicity to the fact that at least 43 kinds of birds prey upon this destructive insect. It has discovered that 57 species of birds feed upon scale-insects—dreaded enemies of the fruit grower. It has shown that woodpeckers as a class, by destroying the larvæ of wood-boring insects, are so essential to tree life that it is doubtful if our forests could exist without them. It has shown that cuckoos and orioles are the natural enemies of the leaf-eating caterpillars that destroy our shade and fruit trees; that our quails and sparrows consume annually hundreds of tons of seeds of noxious weeds; that hawks and owls as a class (excepting the few that kill poultry and game birds) are markedly beneficial, spending their lives in catching grasshoppers, mice, and other pests that prey upon the products of husbandry. It has conducted field experiments for the purpose of devising and perfecting simple methods for holding in check the hordes of destructive rodents—rats, mice, rabbits, gophers, prairie dogs, and ground squirrels—which annually destroy crops worth many millions of dollars; and it has published practical directions for the destruction of wolves and coyotes on the stock ranges of the West, resulting during the past year in an estimated saving of cattle and sheep valued at upwards of a million dollars.

It has inaugurated a system of inspection at the principal ports of entry on both Atlantic and Pacific coasts by means of which the introduction of noxious mammals and birds is prevented, thus keeping out the mongoose and certain birds which are as much to be dreaded as the previously introduced English sparrow and the house rats and mice.

In the interest of game protection it has cooperated with local officials in every State in the Union, has striven to promote uniform legislation in the several States, has rendered important service in enforcing the Federal law regulating interstate traffic in game, and has shown how game protection may be made to yield a large revenue to the State—a revenue amounting in the case of Illinois to $128,000 in a single year.

The Biological Survey has explored the faunas and floras of America with reference to the distribution of animals and plants; it has defined and mapped the natural life areas—areas in which, by reason of prevailing climatic conditions, certain kinds of animals and plants occur—and has pointed out the adaptability of these areas to the cultivation of particular crops. The results of these investigations are not only of high educational value but are worth each year to the progressive farmers of the country many times the cost of maintaining the Survey, which, it may be added, is exceedingly small. I recommend to Congress that this bureau, whose usefulness is seriously handicapped by lack of funds, be granted an appropriation in some degree commensurate with the importance of the work it is doing.

I call your especial attention to the unsatisfactory condition of our foreign mail service, which, because of the lack of American steamship lines is now largely done through foreign lines, and which, particularly so far as South and Central America are concerned, is done in a manner which constitutes a serious barrier to the extension of our commerce.

The time has come, in my judugment, to set to work seriously to make our ocean mail service correspond more closely with our recent commercial and political development. A beginning was made by the ocean mail act of March 3, 1891, but even at that time the act was known to be inadequate in various particulars. Since that time events have moved rapidly in our history. We have acquired Hawaii, the Philippines, and lesser islands in the Pacific. We are steadily prosecuting the great work of uniting at the Isthmus the waters of the Atlantic and the Pacific. To a greater extent than seemed probable even a dozen years ago, we may look to an American future on the sea worthy of the traditions of our past. As the first step in that direction, and the setp most feasible at the present time, I recommend the extension of the ocean mail act of 1891. This act has stood for some years free from successful criticism of its principle and purpose. It was based on theories of the obligations of a great maritime nation, undisputed in our own land and followed by other nations since the beginning of steam navigation. Briefly those theories are, that it is the duty of a first-class Power so far as practicable to carry its ocean mails under its own flag; that the fast ocean steamships and their crews, required for such mail service, are valuable auxiliaries to the sea power of a nation. Furthermore, the construction of such steamships insures the maintenance in an efficient condition of the shipyards in which our battleships must be built.

The expenditure of public money for the performance of such necessary functions of government is certainly warranted, nor is it necessary to dwell upon the incidental benefits to our foreign commerce, to the shipbuilding industry, and to ship owning and navigation which will accompany the discharge of these urgent public duties, though they, too, should have weight.

The only serious question is whether at this time we can afford to improve our ocean mail service as it should be improved. All doubt on this subject is removed by the reports of the Post-Office Department. For the fiscal year ended June 30, 1907, that Department estimates that the postage collected on the articles exchanged with foreign countries other than Canada and Mexico amounted to $6,579,043.48, or $3,637,226.81 more than the net cost of the service exclusive of the cost of transporting the articles between the United States exchange postoffices and the United States postoffices at which they were mailed or delivered. In other words, the Government of the United States, having assumed a monopoly of carrying the mails for the people, is making a profit of over $3,600,000 by rendering a cheap and inefficient service. That profit I believe should be devoted to strengthening our maritime power in those directions where it will best promote our prestige. The country is familiar with the facts of our maritime impotence in the harbors of the great and friendly Republics of South America. Following the failure of the shipbuilding bill we lost our only American line of steamers to Australasia, and that loss on the Pacific has become a serious embarrassment to the people of Hawaii, and has wholly cut off the Samoan islands from regular communication with the Pacific coast. Puget Sound, in the year, has lost over half (four out of seven) of its American steamers trading with the Orient.

We now pay under the act of 1891 $4 a statute mile outward to 20-knot American mail steamships, built according to naval plans, available as cruisers, and manned by Americans. Steamships of that speed are confined exclusively to trans-Atlantic trade with New York. To steamships of 16 knots or over only $2 a mile can be paid, and it is steamships of this speed and type which are needed to meet the requirements of mail service to South America, Asia (including the Philippines), and Australia. I strongly recommend, therefore, a simple amendment to the ocean mail act of 1891 which shall authorize the Postmaster-General in his discretion to enter into contracts for the transportation of mails to the Republics of South America, to Asia, the Philippines, and Australia at a rate not to exceed $4 a mile for steamships of 16 knots speed or upwards, subject to the restrictions and obligations of the act of 1891. The profit of $3,600,000 which has been mentioned will fully cover the maximum annual expenditure involved in this recommendation, and it is believed will in time establish the lines so urgently needed. The proposition involves no new principle, but permits the efficient discharge of public functions now inadequately performed or not performed at all.

Not only there is not now, but there never has been, any other nation in the world so wholly free from the evils of militarism as is ours. There never has been any other large nation, not even China, which for so long a period has had relatively to its numbers so small a regular army as has ours. Never at any time in our history has this Nation suffered from militarism or been in the remotest danger of suffering from militarism. Never at any time of our history has the Regular Army been of a size which caused the slightest appreciable tax upon the tax-paying citizens of the Nation. Almost always it has been too small in size and underpaid. Never in our entire history has the Nation suffered in the least particular because too much care has been given to the Army, too much prominence given it, too much money spent upon it, or because it has been too large. But again and again we have suffered because enough care has not been given to it, because it has been too small, because there has not been sufficient preparation in advance for possible war. Every foreign war in which we have engaged has cost us many times the amount which, if wisely expended during the preceding years of peace on the Regular Army, would have insured the war ending in but a fraction of the time and but for a fraction of the cost that was actually the case. As a Nation we have always been shortsighted in providing for the efficiency of the Army in time of peace. It is nobody's especial interest to make such provision and no one looks ahead to war at any period, no matter how remote, as being a serious possibility; while an improper economy, or rather niggardliness, can be practiced at the expense of the Army with the certainty that those practicing it will not be called to account therefor, but that the price will be paid by the unfortunate persons who happen to be in office when a war does actually come.

I think it is only lack of foresight that troubles us, not any hostility to the Army. There are, of course, foolish people who denounce any care of the Army or Navy as "militarism," but I do not think that these people are numerous. This country has to contend now, and has had to contend in the past, with many evils, and there is ample scope for all who would work for reform. But there is not one evil that now exists, or that ever has existed in this country, which is, or ever has been, owing in the smallest part to militarism. Declamation against militarism has no more serious place in an earnest and intelligent movement for righteousness in this country than declamation against the worship of Baal or Astaroth. It is declamation against a non-existent evil, one which never has existed in this country, and which has not the slightest chance of appearing here. We are glad to help in any movement for international peace, but this is because we sincerely believe that it is our duty to help all such movements provided they are sane and rational, and not because there is any tendency toward militarism on our part which needs to be cured. The evils we have to fight are those in connection with industrialism, not militarism. Industry is always necessary, just as war is sometimes necessary. Each has its price, and industry in the United States now exacts, and has always exacted, a far heavier toll of death than all our wars put together. The statistics of the railroads of this country for the year ended June 30, 1906, the last contained in the annual statistical report of the Interstate Commerce Commission, show in that one year a total of 108,324 casualties to persons, of which 10,618 represent the number of persons killed. In that wonderful hive of human activity, Pittsburg, the deaths due to industrial accidents in 1906 were 919, all the result of accidents in mills, mines or on railroads. For the entire country, therefore, it is safe to say that the deaths due to industrial accidents aggregate in the neighborhood of twenty thousand a year. Such a record makes the death rate in all our foreign wars utterly trivial by comparison. The number of deaths in battle in all the foreign wars put together, for the last century and a quarter, aggregate considerably less than one year's death record for our industries. A mere glance at these figures is sufficient to show the absurdity of the outcry against militarism.

But again and again in the past our little Regular Army has rendered service literally vital to the country, and it may at any time have to do so in the future. Its standard of efficiency and instruction is higher now than ever in the past. But it is too small. There are not enough officers; and it is impossible to secure enough enlisted men. We should maintain in peace a fairly complete skeleton of a large army. A great and long-continued war would have to be fought by volunteers. But months would pass before any large body of efficient volunteers could be put in the field, and our Regular Army should be large enough to meet any immediate need. In particular it is essential that we should possess a number of extra officers trained in peace to perform efficiently the duties urgently required upon the breaking out of war.

The Medical Corps should be much larger than the needs of our Regular Army in war. Yet at present it is smaller than the needs of the service demand even in peace. The Spanish war occurred less than ten years ago. The chief loss we suffered in it was by disease among the regiments which never left the country. At the moment the Nation seemed deeply impressed by this fact; yet seemingly it has already been forgotten, for not the slightest effort has been made to prepare a medical corps of sufficient size to prevent the repetition of the same disaster on a much larger scale if we should ever be engaged in a serious conflict. The trouble in the Spanish war was not with the then existing officials of the War Department; it was with the representatives of the people as a whole who, for the preceding thirty years, had declined to make the necessary provision for the Army. Unless ample provision is now made by Congress to put the Medical Corps where it should be put disaster in the next war is inevitable, and the responsibility will not lie with those then in charge of the War Department, but with those who now decline to make the necessary provision. A well organized medical corps, thoroughly trained before the advent of war in all the important administrative duties of a military sanitary corps, is essential to the efficiency of any large army, and especially of a large volunteer army. Such knowledge of medicine and surgery as is possessed by the medical profession generally will not alone suffice to make an efficient military surgeon. He must have, in addition, knowledge of the administration and sanitation of large field hospitals and camps, in order to safeguard the health and lives of men intrusted in great numbers to his care. A bill has long been pending before the Congress for the reorganization of the Medical Corps; its passage is urgently needed.

But the Medical Department is not the only department for which increased provision should be made. The rate of pay for the officers should be greatly increased; there is no higher type of citizen than the American regular officer, and he should have a fair reward for his admirable work. There should be a relatively even greater increase in the pay for the enlisted men. In especial provision should be made for establishing grades equivalent to those of warrant officers in the Navy which should be open to the enlisted men who serve sufficiently long and who do their work well. Inducements should be offered sufficient to encourage really good men to make the Army a life occupation. The prime needs of our present Army is to secure and retain competent noncommissioned officers. This difficulty rests fundamentally on the question of pay. The noncommissioned officer does not correspond with an unskilled laborer; he corresponds to the best type of skilled workman or to the subordinate official in civil institutions. Wages have greatly increased in outside occupations in the last forty years and the pay of the soldier, like the pay of the officers, should be proportionately increased. The first sergeant of a company, if a good man, must be one of such executive and administrative ability, and such knowledge of his trade, as to be worth far more than we at present pay him. The same is true of the regimental sergeant major. These men should be men who had fully resolved to make the Army a life occupation and they should be able to look forward to ample reward; while only men properly qualified should be given a chance to secure these final rewards. The increase over the present pay need not be great in the lower grades for the first one or two enlistments, but the increase should be marked for the noncommissioned officers of the upper grades who serve long enough to make it evident that they intend to stay permanently in the Army, while additional pay should be given for high qualifications in target practice. The position of warrant officer should be established and there should be not only an increase of pay, but an increase of privileges and allowances and dignity, so as to make the grade open to noncommissioned officers capable of filling them desirably from every standpoint. The rate of desertion in our Army now in time of peace is alarming. The deserter should be treated by public opinion as a man guilty of the greatest crime; while on the other hand the man who serves steadily in the Army should be treated as what he is, that is, as preeminently one of the best citizens of this Republic. After twelve years' service in the Army my own belief is that the man should be given a preference according to his ability for certain types of office over all civilian applicants without examination. This should also apply, of course, to the men who have served twelve years in the Navy. A special corps should be provided to do the manual labor now necessarily demanded of the privates themselves.

Among the officers there should be severe examinations to weed out the unfit up to the grade of major. From that position on appointments should be solely by selection and it should be understood that a man of merely average capacity could never get beyond the position of major, while every man who serves in any grade a certain length of time prior to promotion to the next grade without getting the promotion to the next grade should be forthwith retired. The practice marches and field maneuvers of the last two or three years have been invaluable to the Army. They should be continued and extended. A rigid and not a perfunctory examination of physical capacity has been provided for the higher grade officers. This will work well. Unless an officer has a good physique, unless he can stand hardship, ride well, and walk fairly, he is not fit for any position, even after he has become a colonel. Before he has become a colonel the need for physical fitness in the officers is almost as great as in the enlisted man. I hope speedily to see introduced into the Army a far more rigid and thoroughgoing test of horsemanship for all field officers than at present. There should be a Chief of Cavalry just as there is a Chief of Artillery.

Perhaps the most important of all legislation needed for the benefit of the Army is a law to equalize and increase the pay of officers and enlisted men of the Army, Navy, Marine Corps, and Revenue-Cutter Service. Such a bill has been prepared, which it is hoped will meet with your favorable consideration. The next most essential measure is to authorize a number of extra officers as mentioned above. To make the Army more attractive to enlisted men, it is absolutely essential to create a service corps, such as exists in nearly every modern army in the world, to do the skilled and unskilled labor, inseparably connected with military administration, which is now exacted, without just compensation, of enlisted men who voluntarily entered the Army to do service of an altogether different kind. There are a number of other laws necessary to so organize the Army as to promote its efficiency and facilitate its rapid expansion in time of war; but the above are the most important.

It was hoped The Hague Conference might deal with the question of the limitation of armaments. But even before it had assembled informal inquiries had developed that as regards naval armaments, the only ones in which this country had any interest, it was hopeless to try to devise any plan for which there was the slightest possibility of securing the assent of the nations gathered at The Hague. No plan was even proposed which would have had the assent of more than one first class Power outside of the United States. The only plan that seemed at all feasible, that of limiting the size of battleships, met with no favor at all. It is evident, therefore, that it is folly for this Nation to base any hope of securing peace on any international agreement as to the limitations of armaments. Such being the fact it would be most unwise for us to stop the upbuilding of our Navy. To build one battleship of the best and most advanced type a year would barely keep our fleet up to its present force. This is not enough. In my judgment, we should this year provide for four battleships. But it is idle to build battleships unless in addition to providing the men, and the means for thorough training, we provide the auxiliaries for them, unless we provide docks, the coaling stations, the colliers and supply ships that they need. We are extremely deficient in coaling stations and docks on the Pacific, and this deficiency should not longer be permitted to exist. Plenty of torpedo boats and destroyers should be built. Both on the Atlantic and Pacific coasts, fortifications of the best type should be provided for all our greatest harbors.

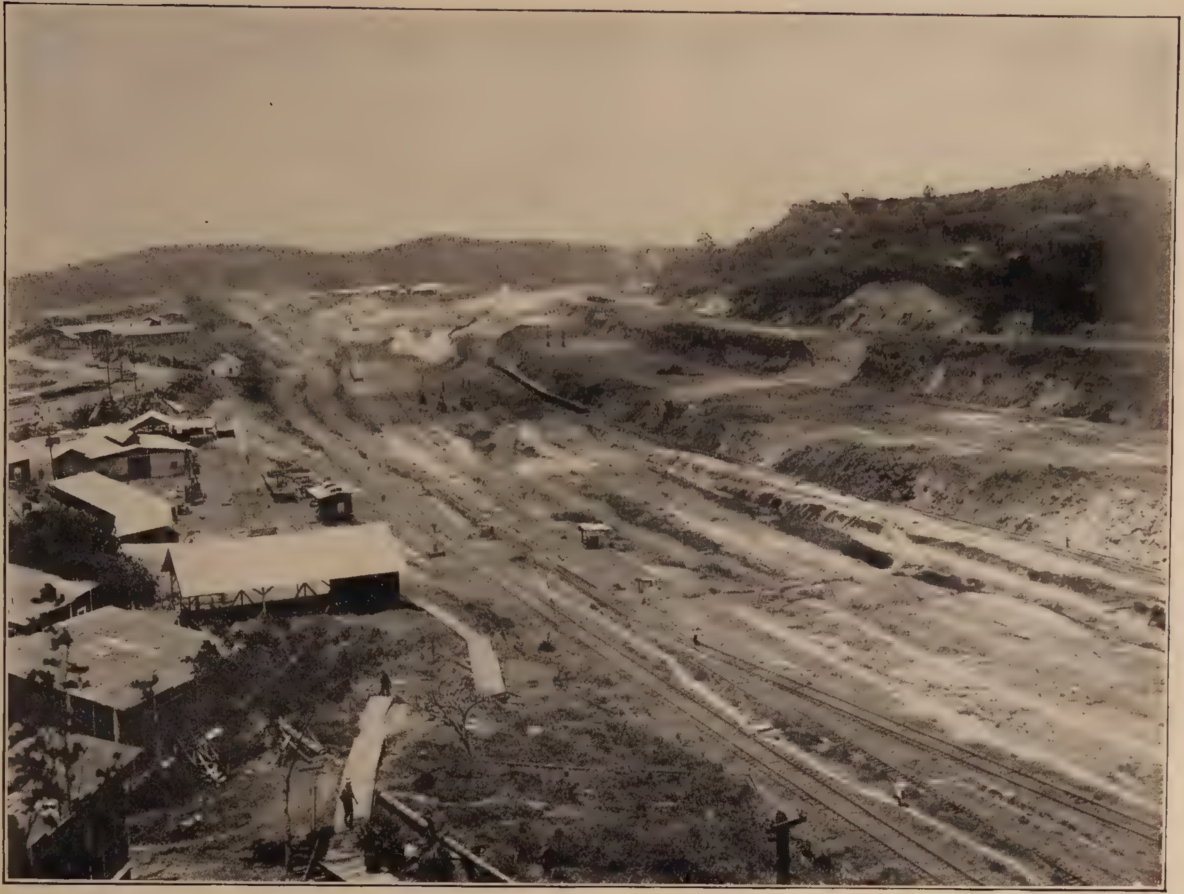
We need always to remember that in time of war the Navy is not to be used to defend harbors and sea-coast cities; we should perfect our system of coast fortifications. The only efficient use for the Navy is for offense. The only way in which it can efficiently protect our own coast against the possible action of a foreign navy is by destroying that foreign navy. For defense against a hostile fleet which actually attacks them, the coast cities must depend upon their forts, mines, torpedoes, submarines, and torpedo boats and destroyers. All of these together are efficient for defensive purposes, but they in no way supply the place of a thoroughly efficient navy capable of acting on the offensive; for parrying never yet won a fight. It can only be won by hard hitting, and an aggressive sea-going navy alone can do this hard hitting of the offensive type. But the forts and the like are necessary so that the Navy may be footloose. In time of war there is sure to be demand, under pressure, of fright, for the ships to be scattered so as to defend all kind of ports. Under penalty of terrible disaster, this demand must be refused. The ships must be kept together, and their objective made the enemies' fleet. If fortifications are sufficiently strong, no modern navy will venture to attack them, so long as the foe has in existence a hostile navy of anything like the same size or efficiency. But unless there exists such a navy then the fortifications are powerless by themselves to secure the victory. For of course the mere deficiency means that any resolute enemy can at his leisure combine all his forces upon one point with the certainty that he can take it.

Until our battle fleet is much larger than at present it should never be split into detachments so far apart that they could not in event of emergency be speedily united. Our coast line is on the Pacific just as much as on the Atlantic. The interests of California, Oregon, and Washington are as emphatically the interests of the whole Union as those of Maine and New York, of Louisiana and Texas. The battle fleet should now and then be moved to the Pacific, just as at other times it should be kept in the Atlantic. When the Isthmian Canal is built the transit of the battle fleet from one ocean to the other will be comparatively easy. Until it is built I earnestly hope that the battle fleet will be thus shifted between the two oceans every year or two. The marksmanship on all our ships has improved phenomenally during the last five years. Until within the last two or three years it was not possible to train a battle fleet in squadron maneuvers under service conditions, and it is only during these last two or three years that the training under these conditions has become really effective. Another and most necessary stride in advance is now being taken. The battle fleet is about starting by the Straits of Magellan to visit the Pacific coast.. Sixteen battleships are going under the command of Rear-Admiral Evans, while eight armored cruisers and two other battleships will meet him at San Francisco, whither certain torpedo destroyers are also going. No fleet of such size has ever made such a voyage, and it will be of very great educational use to all engaged in it.. The only way by which to teach officers and men how to handle the fleet so as to meet every possible strain and emergency in time of war is to have them practice under similar conditions in time of peace. Moreover, the only way to find out our actual needs is to perform in time of peace whatever maneuvers might be necessary in time of war. After war is declared it is too late to find out the needs; that means to invite disaster. This trip to the Pacific will show what some of our needs are and will enable us to provide for them. The proper place for an officer to learn his duty is at sea, and the only way in which a navy can ever be made efficient is by practice at sea, under all the conditions which would have to be met if war existed.

I bespeak the most liberal treatment for the officers and enlisted men of the Navy. It is true of them, as likewise of the officers and enlisted men of the Army, that they form a body whose interests should be close to the heart of every good American. In return the most rigid performance of duty should be exacted from them. The reward should be ample when they do their best; and nothing less than their best should be tolerated. It is idle to hope for the best results when the men in the senior grades come to those grades late in life and serve too short a time in them. Up to the rank of lieutenant-commander promotion in the Navy should be as now, by seniority, subject, however, to such rigid tests as would eliminate the unfit. After the grade of lieutenant-commander, that is, when we come to the grade of command rank, the unfit should be eliminated in such manner that only the conspicuously fit would remain, and sea service should be a principal test of fitness. Those who are passed by should, after a certain length of service in their respective grades, be retired. Of a given number of men it may well be that almost all would make good lieutenants and most of them good lieutenant-commanders, while only a minority be fit to be captains, and but three or four to be admirals. Those who object to promotion otherwise than by mere seniority should reflect upon the elementary fact that no business in private life could be successfully managed if those who enter at the lowest rungs of the ladder should each in turn, if he lived, become the head of the firm, its active director, and retire after he had held the position a few months. On its face such a scheme is an absurdity. Chances for improper favoritism can be minimized by a properly formed board; such as the board of last June, which did such conscientious and excellent work in elimination.

If all that ought to be done can not now be done, at least let a beginning be made. In my last three annual Messages, and in a special Message to the last Congress, the necessity for legislation that will cause officers of the line of the Navy to reach the grades of captain and rear-admiral at less advanced ages and which will cause them to have more sea training and experience in the highly responsible duties of those grades, so that they may become thoroughly skillful in handling battleships, divisions, squadrons, and fleets in action, has been fully explained and urgently recommended. Upon this subject the Secretary of the Navy has submitted detailed and definite recommendations which have received my approval, and which, if enacted into law, will accomplish what is immediately necessary, and will, as compared with existing law, make a saving of more than five millions of dollars during the next seven years. The navy personnel act of 1899 has accomplished all that was expected of it in providing satisfactory periods of service in the several subordinate grades, from the grade of ensign to the grade of lieutenant-commander, but the law is inadequate in the upper grades and will continue to be inadequate on account of the expansion of the personnel since its enactment. Your attention is invited to the following quotations from the report of the personnel board of 1906, of which the Assistant Secretary of the Navy was president:

"Congress has authorized a considerable increase in the number of midshipmen at the Naval Academy, and these midshipmen upon graduation are promoted to ensign and lieutenant (junior-grade). But no provision has been made for a corresponding increase in the upper grades, the result being that the lower grades will become so congested that a midshipman now in one of the lowest classes at Annapolis may possibly not be promoted to lieutenant until he is between 45 and 50 years of age. So it will continue under the present law, congesting at the top and congesting at the bottom. The country fails to get from



PANAMA CANAL: THE CULEBRA CUT, LOOKING NORTH, MARCH, 1908

THE PANAMA CANAL

The commencement of the task of constructing the Panama Canal was the most important event of Roosevelt's Administration. The history of the undertaking is written by Roosevelt himself on pages 6662, 6758, 6881, 6901, 7401, 7480, 7611, 7648, 7667, 7685 and 7728. The message commencing on page 7685 describes his visit of inspection to the canal zone. President Taft continued the narrative, pages 7750, 7754, 7803, 7863 and 7898. The reader who desires a brief recital of the facts should refer to the article entitled "Panama Canal" in the encyclopedic index (volume eleven). The index references following this article will enable the reader to glean a complete and authentic knowledge of the subject from the messages of the Presidents, from Jackson to Taft, who have discussed the project.

the officers of the service the best that is in them by not providing opportunity for their normal development and training. The board believes that this works a serious detriment to the efficiency of the Navy and is a real menace to the public safety."

As stated in my special Message to the last Congress: "I am firmly of the opinion that unless the present conditions of the higher commissioned personnel is rectified by judicious legislation the future of our Navy will be gravely compromised." It is also urgently necessary to increase the efficiency of the Medical Corps of the Navy. Special legislation to this end has already been proposed; and I trust it may be enacted without delay.

It must be remembered that everything done in the Navy to fit it to do well in time of war must be done in time of peace. Modern wars are short; they do not last the length of time requisite to build a battleship; and it takes longer to train the officers and men to do well on a battleship than it takes to build it. Nothing effective can be done for the Navy once war has begun, and the result of the war, if the combatants are otherwise equally matched, will depend upon which power has prepared best in time of peace. The United States Navy is the best guaranty the Nation has that its honor and interest will not be neglected; and in addition it offers by far the best insurance for peace that can by human ingenuity be devised.

I call attention to the report of the official Board of Visitors to the Naval Academy at Annapolis which has been forwarded to the Congress. The report contains this paragraph:

"Such revision should be made of the courses of study and methods of conducting and marking examinations as will develop and bring out the average all-round ability of the midshipman rather than to give him prominence in any one particular study. The fact should be kept in mind that the Naval Academy is not a university but a school, the primary object of which is to educate boys to be efficient naval officers. Changes in curriculum, therefore, should be in the direction of making the course of instruction less theoretical and more practical. No portion of any future class should be graduated in advance of the full four years' course, and under no circumstances should the standard of instruction be lowered. The Academy in almost all of its departments is now magnificently equipped, and it would be very unwise to make the course of instruction less exacting than it is to-day."

Acting upon this suggestion I designated three seagoing officers, Capt. Richard Wainwright, Commander Robert S. Griffin, and Lieut. Commander Albert L. Key, all graduates of the Academy, to investigate conditions and to recommend to me the best method of carrying into effect this general recommendation. These officers performed the duty promptly and intelligently, and, under the personal direction of

Capt. Charles J. Badger, Superintendent of the Academy, such of the proposed changes as were deemed to be at present advisable were put into effect at the beginning of the academic year, October 1, last. The results, I am confident, will be most beneficial to the Academy, to the midshipmen, and to the Navy.

In foreign affairs this country's steady policy is to behave toward other nations as a strong and self-respecting man should behave toward the other men with whom he is brought into contact.. In other words, our aim is disinterestedly to help other nations where such help can be wisely given without the appearance of meddling with what does not concern us; to be careful to act as a good neighbor; and at the same time, in good-natured fashion, to make it evident that we do not intend to be imposed upon.

The Second International Peace Conference was convened at The Hague on the 15th of June last and remained in session until the 18th of October. For the first time the representatives of practically all the civilized countries of the world united in a temperate and kindly discussion of the methods by which the causes of war might be narrowed and its injurious effects reduced.

Although the agreements reached in the Conference did not in any direction go to the length hoped for by the more sanguine, yet in many directions important steps were taken, and upon every subject on the programme there was such full and considerate discussion as to justify the belief that substantial progress has been made toward further agreements in the future. Thirteen conventions were agreed upon embodying the definite conclusions which had been reached, and resolutions were adopted marking the progress made in matters upon which agreement was not yet sufficiently complete to make conventions practicable.

The delegates of the United States were instructed to favor an agreement for obligatory arbitration, the establishment of a permanent court of arbitration to proceed judicially in the hearing and decision of international causes, the prohibition of force for the collection of contract debts alleged to be due from governments to citizens of other countries until after arbitration as to the justice and amount of the debt and the time and manner of payment, the immunity of private property at sea, the better definition of the rights of neutrals, and, in case any measure to that end should be introduced, the limitation of armaments.

In the field of peaceful disposal of international differences several important advances were made. First, as to obligatory arbitration. Although the Conference failed to secure a unanimous agreement upon the details of a convention for obligatory arbitration, it did resolve as follows:

"It is unanimous: (1) In accepting the principle for obligatory arbitration; (2) In declaring that certain differences, and notably those relating to the interpretation and application of international conventional stipulations are susceptible of being submitted to obligatory arbitration without any restriction."

In view of the fact that as a result of the discussion the vote upon the definite treaty of obligatory arbitration, which was proposed, stood 32 in favor to 9 against the adoption of the treaty, there can be little doubt that the great majority of the countries of the world have reached a point where they are now ready to apply practically the principles thus unanimously agreed upon by the Conference.

The second advance, and a very great one, is the agreement which relates to the use of force for the collection of contract debts. Your attention is invited to the paragraphs upon this subject in my Message of December, 1906, and to the resolution of the Third American Conference at Rio in the summer of 1906. The convention upon this subject adopted by the Conference substantially as proposed by the American delegates is as follows: :

"In order to avoid between nations armed conflicts of a purely pecuniary origin arising from contractual debts claimed of the government of one country by the government of another country to be due to its nationals, the signatory Powers agree not to have recourse to armed force for the collection of such contractual debts.

"However, this stipulation shall not be applicable when the debtor State refuses or leaves unanswered an offer to arbitrate, or, in case of acceptance, makes it impossible to formulate the terms of submission, or, after arbitration, fails to comply with the award rendered.

"It is further agreed that arbitration here contemplated shall be in conformity, as to procedure, with Chapter III of the Convention for the Pacific Settlement of International Disputes adopted at The Hague, and that it shall determine, in so far as there shall be no agreement between the parties, the justice and the amount of the debt, the time and mode of payment thereof."

Such a provision would have prevented much injustice and extortion in the past, and I cannot doubt that its effect in the future will be most salutary.

A third advance has been made in amending and perfecting the convention of 1899 for the voluntary settlement of international disputes, and particularly the extension of those parts of that convention which relate to commissions of inquiry. The existence of those provisions enabled the Governments of Great Britain and Russia to avoid war, notwithstanding great public excitement, at the time of the Dogger Bank incident, and the new convention agreed upon by the Conference gives practical effect to the experience gained in that inquiry.

Substantial progress was also made towards the creation of a permanent judicial tribunal for the determination of international causes. There was very full discussion of the proposal for such a court and a general agreement was finally reached in favor of its creation. The Conference recommended to the signatory Powers the adoption of a draft upon which it agreed for the organization of the court, leaving to be determined only the method by which the judges should be selected. This remaining unsettled question is plainly one which time and good temper will solve.

A further agreement of the first importance was that for the creation of an international prize court. The constitution, organization and procedure of such a tribunal were provided for in detail. Anyone who recalls the injustices under which this country suffered as a neutral power during the early part of the last century can not fail to see in this provision for an international prize court the great advance which the world is making towards the substitution of the rule of reason and justice in place of simple force. Not only will the international prize court be the means of protecting the interests of neutrals, but it is in itself a step towards the creation of the more general court for the hearing of international controversies to which reference has just been made. The organization and action of such a prize court can not fail to accustom the different countries to the submission of international questions to the decision of an international tribunal, and we may confidently expect the results of such submission to bring about a general agreement upon the enlargement of the practice.

Numerous provisions were adopted for reducing the evil effects of war and for defining the rights and duties of neutrals.

The Conference also provided for the holding of a third Conference within a period similar to that which elapsed between the First and Second Conferences.

The delegates of the United States worthily represented the spirit of the American people and maintained with fidelity and ability the policy of our Government upon all the great questions discussed in the Conference.

The report of the delegation, together with authenticated copies of the conventions signed, when received, will be laid before the Senate for its consideration.

When we remember how difficult it is for one of our own legislative bodies, composed of citizens of the same country, speaking the same language, living under the same laws, and having the same customs, to reach an agreement, or even to secure a majority upon any difficult and important subject which is proposed for legislation, it becomes plain that the representatives of forty-five different countries, speaking many different languages, accustomed to different methods of procedure, with widely diverse interests, who discussed so many different subjects and reached agreements upon so many, are entitled to grateful appreciation for the wisdom, patience, and moderation with which they have discharged their duty. The example of this temperate discussion, and the agreements and the efforts to agree, among representatives of all the nations of the earth, acting with universal recognition of the supreme obligation to promote peace, can not fail to be a powerful influence for good in future international relations.

A year ago in consequence of a revolutionary movement in Cuba which threatened the immediate return to chaos of the island, the United States intervened, sending down an army and establishing a provisional government under Governor Magoon. Absolute quiet and prosperity have returned to the island because of this action. We are now taking steps to provide for elections in the island and our expectation is within the coming year to be able to turn the island over again to a government chosen by the people thereof. Cuba is at our doors. It is not possible that this Nation should permit Cuba again to sink into the condition from which we rescued it. All that we ask of the Cuban people is that they be prosperous, that they govern themselves so as to bring content, order and progress to their island, the Queen of the Antilles; and our only interference has been and will be to help them achieve these results.

An invitation has been extended by Japan to the Government and people of the United States to participate in a great national exposition to be held at Tokyo from April 1 to October 31, 1912, and in which the principal countries of the world are to be invited to take part. This is an occasion of special interest to all the nations of the world, and peculiarly so to us; for it is the first instance in which such a great national exposition has been held by a great power dwelling on the Pacific; and all the nations of Europe and America will, I trust, join in helping to success this first great exposition ever held by a great nation of Asia. The geographical relations of Japan and the United States as the possessors of such large portions of the coasts of the Pacific, the intimate trade relations already existing between the two countries, the warm friendship which has been maintained between them without break since the opening of Japan to intercourse with the western nations, and her increasing wealth and production, which we regard with hearty goodwill and wish to make the occasion of mutually beneficial commerce, all unite in making it eminently desirable that this invitation should be accepted. I heartily recommend such legislation as will provide in generous fashion for the representation of this Government and its people in the proposed exposition. Action should be taken now. We are apt to underestimate the time necessary for preparation in such cases. The invitation to the French Exposition of 1900 was brought to the attention of the Congress by President Cleveland in December, 1895; and so many are the delays necessary to such proceedings that the period of four years and a half which then intervened before the exposition proved none too long for the proper preparation of the exhibits.

The adoption of a new tariff by Germany, accompanied by conventions for reciprocal tariff concessions between that country and most of the other countries of continental Europe, led the German Government to give the notice necessary to terminate the reciprocal commercial agreement with this country proclaimed July 13, 1900. The notice was to take effect on the 1st of March, 1906, and in default of some other arrangements this would have left the exports from the United States to Germany subject to the general German tariff duties, from 25 to 50 per cent higher than the conventional duties imposed upon the goods of most of our competitors for German trade.

Under a special agreement made between the two Governments in February, 1906, the German Government postponed the operation of their notice until the 30th of June, 1907. In the meantime, deeming it to be my duty to make every possible effort to prevent a tariff war between the United States and Germany arising from misunderstanding by either country of the conditions existing in the other, and acting upon the invitation of the German Government, I sent to Berlin a commission composed of competent experts in the operation and administration of the customs tariff, from the Departments of the Treasury and Commerce and Labor. This commission was engaged for several months in conference with a similar commission appointed by the German Government, under instructions, so far as practicable, to reach a common understanding as to all the facts regarding the tariffs of the United States and Germany material and relevant to the trade relations between the two countries. The commission reported, and upon the basis of the report, a further temporary commercial agreement was entered into by the two countries, pursuant to which, in the exercise of the authority conferred upon the President by the third section of the tariff act of July 24, 1897, I extended the reduced tariff rates provided for in that section to champagne and all other sparkling wines, and pursuant to which the German conventional or minimum tariff rates were extended to about 96½ per cent of all the exports from the United States to Germany. This agreement is to remain in force until the 30th of June, 1908, and until six months after notice by either party to terminate it.

The agreement and the report of the commission on which it is based will be laid before the Congress for its information.

This careful examination into the tariff relations between the United States and Germany involved an inquiry into certain of our methods of administration which had been the cause of much complaint on the part of German exporters. In this inquiry I became satisfied that certain vicious and unjustifiable practices had grown up in our customs administration, notably the practice of determining values of imports upon detective reports never disclosed to the persons whose interests were affected. The use of detectives, though often necessary, tends towards abuse, and should be carefully guarded. Under our practice as I found it to exist in this case, the abuse had become gross and discreditable. Under it, instead of seeking information as to the market value of merchandise from the well-known and respected members of the commercial community in the country of its production, secret statements were obtained from informers and discharged employees and business rivals, and upon this kind of secret evidence the values of imported goods were frequently raised and heavy penalties were frequently imposed upon importers who were never permitted to know what the evidence was and who never had an opportunity to meet it. It is quite probable that this system tended towards an increase of the duties collected upon imported goods, but I conceive it to be a violation of law to exact more duties than the law provides, just as it is a violation to admit goods upon the payment of less than the legal rate of duty. This practice was repugnant to the spirit of American law and to American sense of justice. In the judgment of the most competent experts of the Treasury Department and the Department of Commerce and Labor it was wholly unnecessary for the due collection of the customs revenues, and the attempt to defend it merely illustrates the demoralization which naturally follows from a long continued course of reliance upon such methods. I accordingly caused the regulations governing this branch of the customs service to be modified so that values are determined upon a hearing in which all the parties interested have an opportunity to be heard and to know the evidence against them. Moreover our Treasury agents are accredited to the government of the country in which they seek information, and in Germany receive the assistance of the quasi-official chambers of commerce in determining the actual market value of goods, in accordance with what I am advised to be the true construction of the law.

These changes of regulations were adapted to the removal of such manifest abuses that I have not felt that they ought to be confined to our relations with Germany; and I have extended their operation to all other countries which have expressed a desire to enter into similar administrative relations.

I ask for authority to re-form the agreement with China under which the indemnity of 1900 was fixed, by remitting and cancelling the obligation of China for the payment of all that part of the stipulated indemnity which is in excess of the sum of eleven million, six hundred and fifty-five thousand, four hundred and ninety-two dollars and sixty-nine cents, and interest at four per cent. After the rescue of the foreign legations in Peking during the Boxer troubles in 1900 the Powers required from China the payment of equitable indemnities to the several nations, and the final protocol under which the troops were withdrawn, signed at Peking, September 7, 1901, fixed the amount of this indemnity allotted to the United States at over $20,000,000, and China paid, up to and including the 1st day of June last, a little over $6,000,000. It was the first intention of this Government at the proper time, when all claims had been presented and all expenses ascertained as fully as possible, to revise the estimates and account, and as a proof of sincere friendship for China voluntarily to release that country from its legal liability for all payments in excess of the sum which should prove to be necessary for actual indemnity to the United States and its citizens.

This Nation should help in every practicable way in the education of the Chinese people, so that the vast and populous Empire of China may gradually adapt itself to modern conditions. One way of doing this is by promoting the coming of Chinese students to this country and making it attractive to them to take courses at our universities and higher educational institutions. Our educators should, so far as possible, take concerted action toward this end.

On the courteous invitation of the President of Mexico, the Secretary of State visited that country in September and October and was received everywhere with the greatest kindness and hospitality.

He carried from the Government of the United States to our southern neighbor a message of respect and good will and of desire for better acquaintance and increasing friendship. The response from the Government and the people of Mexico was hearty and sincere. No pains were spared to manifest the most friendly attitude and feeling toward the United States.

In view of the close neighborhood of the two countries the relations which exist between Mexico and the United States are just cause for gratification. We have a common boundary of over 1,500 miles from the Gulf of Mexico to the Pacific. Much of it is marked only by the shifting waters of the Rio Grande. Many thousands of Mexicans are residing upon our side of the line and it is estimated that over 40,000 Americans are resident in Mexican territory and that American investments in Mexico amount to over seven hundred million dollars. The extraordinary industrial and commercial prosperity of Mexico has been greatly promoted by American enterprise, and Americans are sharing largely in its results. The foreign trade of the Republic already exceeds $240,000,000 per annum, and of this two-thirds both of exports and imports are exchanged with the United States. Under these circumstances numerous questions necessarily arise between the two countries. These questions are always approached and disposed of in a spirit of mutual courtesy and fair dealing. Americans carrying on business in Mexico testify uniformly to the kindness and consideration with which they are treated and their sense of the security of their property and enterprises under the wise administration of the great statesman who has so long held the office of Chief Magistrate of that Republic.

The two Governments have been uniting their efforts for a considerable time past to aid Central America in attaining the degree of peace and order which have made possible the prosperity of the northern ports of the Continent. After the peace between Guatemala, Honduras, and Salvador, celebrated under the circumstances described in my last Message, a new war broke out between the Republics of Nicaragua, Honduras, and Salvador. The effort to compose this new difficulty has resulted in the acceptance of the joint suggestion of the Presidents of Mexico and of the United States for a general peace conference between all the countries of Central America. On the 17th day of September last a protocol was signed between the representatives of the five Central American countries accredited to this Government agreeing upon a conference to be held in the City of Washington "in order to devise the means of preserving the good relations among said Republics and bringing about permanent peace in those countries." The protocol includes the expression of a wish that the Presidents of the United States and Mexico should appoint "representatives to lend their good and impartial offices in a purely friendly way toward the realization of the objects of the conference." The conference is now in session and will have our best wishes and, where it is practicable, our friendly assistance.

One of the results of the Pan American Conference at Rio Janeiro in the summer of 1906 has been a great increase in the activity and usefulness of the International Bureau of American Republics. That institution, which includes all the American Republics in its membership and brings all their representatives together, is doing a really valuable work in informing the people of the United States about the other Republics and in making the United States known to them. Its action is now limited by appropriations determined when it was doing a work on a much smaller scale and rendering much less valuable service. I recommend that the contribution of this Government to the expenses of the Bureau be made commensurate with its increased work.

THEODORE ROOSEVELT.

THE WHITE HOUSE.
December 3, 1907.

SPECIAL MESSAGE.

WHITE HOUSE, Jan. 31, 1908.

To the Senate and House of Representatives:

The recent decision of the Supreme Court in regard to the employers' liability act, the experience of the Interstate Commerce Commission and of the Department of Justice in enforcing the interstate commerce and antitrust laws, and the gravely significant attitude toward the law and its administration recently adopted by certain heads of great corporations, render it desirable that there should be additional legislation as regards certain of the relations between labor and capital, and between the great corporations and the public.

The Supreme Court has decided the employers' liability law to be unconstitutional because its terms apply to employees engaged wholly in intrastate commerce as well as to employees engaged in interstate commerce. By a substantial majority the Court holds that the Congress has power to deal with the question in so far as interstate commerce is concerned.

As regards the employers' liability law, I advocate its immediate reenactment, limiting its scope so that it shall apply only to the class of cases as to which the Court says it can constitutionally apply, but strengthening its provisions within this scope. Interstate employment being thus covered by an adequate national law, the field of intrastate employment will be left to the action of the several States. With this clear definition of responsibility the States will undoubtedly give to the performance of their duty within their field the consideration the importance of the subject demands.

I also very urgently advise that a comprehensive act be passed providing for compensation by the Government to all employees injured in the Government service. Under the present law an injured workman in the employment of the Government has no remedy, and the entire burden of the accident falls on the helpless man, his wife, and his young children. This is an outrage. It is a matter of humiliation to the Nation that there should not be on our statute books provision to meet and partially to atone for cruel misfortune when it comes upon a man through no fault of his own while faithfully serving the public. In no other prominent industrial country in the world could such gross injustice occur; for almost all civilized nations have enacted legislation embodying the complete recognition of the principle which places the entire trade risk for industrial accidents (excluding, of course, accidents due to willful misconduct by the employee) on the industry as represented by the employer, which in this case is the Government. In all these countries the principle applies to the Government just as much as to the private employer. Under no circumstances should the injured employee or his surviving dependents be required to bring suit against the Government, nor should there be the requirement that in order to insure recovery negligence in some form on the part of the Government should be shown. Our proposition is not to confer a right of action upon the Government employee, but to secure him suitable provision against injuries received in the course of his employment. The burden of the trade risk should be placed upon the Government. Exactly as the workingman is entitled to his wages, so he should be entitled to indemnity for the injuries sustained in the natural course of his labor. The rates of compensation and the regulations for its payment should be specified in the law, and the machinery for determining the amount to be paid should in each case be provided in such manner that the employee is properly represented without expense to him. In other words, the compensation should be paid automatically, while the application of the law in the first instance should be vested in the Department of Commerce and Labor. The law should apply to all laborers, mechanics, and other civilian employees of the Government of the United States, including those in the service of the Panama Canal Commission and of the insular governments.

The same broad principle which should apply to the Government should ultimately be made applicable to all private employers. Where the Nation has the power it should enact laws to this effect. Where the States alone have the power they should enact the laws. It is to be observed that an employers' liability law does not really mean mulcting employers in damages. It merely throws upon the employer the burden of accident insurance against injuries which are sure to occur. It requires him either to bear or to distribute through insurance the loss which can readily be borne when distributed, but which, if undistributed, bears with frightful hardship upon the unfortunate victim of accident. In theory, if wages were always freely and fairly adjusted, they would always include an allowance as against the risk of injury, just as certainly as the rate of interest for money includes an allowance for insurance against the risk of loss. In theory, if employees were all experienced business men, they would employ that part of their wages which is received because of the risk of injury to secure accident insurance. But as a matter of fact it is not practical to expect that this will be done by the great body of employees. An employers' liability law makes it certain that it will be done, in effect, by the employer, and it will ultimately impose no real additional burden upon him.

There is a special bill to which I call your attention. Secretary Taft has urgently recommended the immediate passage of a law providing for compensation to employees of the Government injured in the work of the Isthmian Canal, and that $100,000 be appropriated for this purpose each year. I earnestly hope this will be done; and that a special bill be passed covering the case of Yardmaster Banton, who was injured nearly two years ago while doing his duty. He is now helpless to support his wife and his three little boys.

I again call your attention to the need of some action in connection with the abuse of injunctions in labor cases. As regards the rights and wrongs of labor and capital, from blacklisting to boycotting, the whole subject is covered in admirable fashion by the report of the Anthracite Coal Strike Commission, which report should serve as a chart for the guidance of both legislative and executive officers. As regards injunctions, I can do little but repeat what I have said in my last message to the Congress. Even though it were possible, I should consider it most unwise to abolish the use of the process of injunction. It is necessary in order that the courts may maintain their own dignity and in order that they may in effective manner check disorder and violence. The judge who uses it cautiously and conservatively, but who, when the need arises, uses it fearlessly, confers the greatest service upon our people, and his preeminent usefulness as a public servant should be heartily recognized. But there is no question in my mind that it has sometimes been used heedlessly and unjustly, and that some of the injunctions issued inflict grave and occasionally irreparable wrong upon those enjoined.

It is all wrong to use the injunction to prevent the entirely proper and legitimate actions of labor organizations in their struggle for industrial betterment, or under the guise of protecting property rights unwarrantably to invade the fundamental rights of the individual. It is futile to concede, as we all do, the right and the necessity of organized effort on the part of wage-earners and yet by injunctive process to forbid peaceable action to accomplish the lawful objects for which they are organized and upon which their success depends. The fact that the punishment for the violation of an injunction must, to make the order effective, necessarily be summary and without the intervention of a jury makes its issuance in doubtful cases a dangerous practice, and in itself furnishes a reason why the process should be surrounded with safeguards to protect individuals against being enjoined from exercising their proper rights. Reasonable notice should be given the adverse party.

This matter is daily becoming of graver importance and I can not too urgently recommend that the Congress give careful consideration to the subject. If some way of remedying the abuses is not found the feeling of indignation against them among large numbers of our citizens will tend to grow so extreme as to produce a revolt against the whole use of the process of injunction. The ultra-conservatives who object to cutting out the abuses will do well to remember that if the popular feeling does become strong many of those upon whom they rely to defend them will be the first to turn against them. Men of property can not afford to trust to anything save the spirit of justice and fair play; for those very public men who, while it is to their interest, defend all the abuses committed by capital and pose as the champions of conservatism, will, the moment they think their interest changes, take the lead in just such a matter as this and pander to what they esteeem popular feeling by endeavoring, for instance, effectively to destroy the power of the courts in matters of injunction; and will even seek to render nugatory the power to punish for contempt, upon which power the very existence of the orderly administration of justice depends.

It is my purpose as soon as may be to submit some further recommendations in reference to our laws regulating labor conditions within the sphere of Federal authority. A very recent decision of the Supreme Court of the United States rendered since this message was written, in the case of Adair *v.* United States, seemingly of far-reaching import and of very serious probable consequences, has modified the previously entertained views on the powers of the Congress in the premises to such a degree as to make necessary careful consideration of the opinions therein filed before it is possible definitely to decide in what way to call the matter to your attention.

Not only should there be action on certain laws affecting wage-earners; there should also be such action on laws better to secure control over the great business concerns engaged in interstate commerce, and especially over the great common carriers. The Interstate Commerce Commission should be empowered to pass upon any rate or practice on its own initiative. Moreover, it should be provided that whenever the Commission has reason to believe that a proposed advance in a rate ought not to be made without investigation, it should have authority to issue an order prohibiting the advance pending examination by the Commission.

I would not be understood as expressing an opinion that any or even a majority of these advances are improper. Many of the rates in this country have been abnormally low. The operating expenses of our railroads, notably the wages paid railroad employees, have greatly increased. These and other causes may in any given case justify an advance in rates, and if so the advance should be permitted and approved. But there may be, and doubtless are, cases where this is not true; and our law should be so framed that the Government, as the representative of the whole people, can protect the individual against unlawful exaction for the use of these public highways. The Interstate Commerce Commission should be provided with the means to make a physical valuation of any road as to which it deems this valuation necessary. In some form the Federal Government should exercise supervision over the financial operations of our interstate railroads. In no other way can justice be done between the private owners of those properties and the public which pay their charges. When once an inflated capitalization has gone upon the market and has become fixed in value, its existence must be recognized. As a practical matter it is then often absolutely necessary to take account of the thousands of innocent stockholders who have purchased their stock in good faith. The usual result of such inflation is therefore to impose upon the public an unnecessary but everlasting tax, while the innocent purchasers of the stock are also harmed and only a few speculators are benefited. Such wrongs when once accomplished can with difficulty be undone; but they can be prevented with safety and with justice. When combinations of interstate railways must obtain Government sanction; when it is no longer possible for an interstate railway to issue stock or bonds, save in the manner approved by the Federal Government; when that Government makes sure that the proceeds of every stock and bond issue go into the improvement of the property and not the enrichment of some individual or syndicate; when, whenever it becomes material for guidance in the regulative action of the Government, the physical value of one of these properties is determined and made known—there will be eliminated from railroad securities that element of uncertainty which lends to them their speculative quality and which has contributed much to the financial stress of the recent past.

I think that the Federal Government must also assume a certain measure of control over the physical operation of railways in the handling of interstate traffic. The Commission now has authority to establish through routes and joint rates. In order to make this provision effective and in order to promote in times of necessity the proper movement of traffic, I think it must also have authority to determine the conditions upon which cars shall be interchanged between different interstate railways. It is also probable that the Commission should have authority, in particular instances, to determine the schedule upon which perishable commodities shall be moved.

In this connection I desire to repeat my recommendation that railways be permitted to form traffic associations for the purpose of conferring about and agreeing upon rates, regulations, and practices affecting interstate business in which the members of the association are mutually interested. This does not mean that they should be given the right to pool their earnings or their traffic. The law requires that rates shall be so adjusted as not to discriminate between individuals, localities, or different species of traffic. Ordinarily, rates by all competing lines must be the same. As applied to practical conditions, the railway operations of this country can not be conducted according to law without what is equivalent to conference and agreement. The articles under which such associations operate should be approved by the Commission; all their operations should be open to public inspection; and the rates, regulations, and practices upon which they agree should be subject to disapproval by the Commission.

I urge this last provision with the same earnestness that I do the others. This country provides its railway facilities by private capital. Those facilities will not be adequate unless the capital employed is assured of just treatment and an adequate return. In fixing the charges of our railroads, I believe that, considering the interests of the public alone, it is better to allow too liberal rather than too scanty earnings, for, otherwise, there is grave danger that our railway development may not keep pace with the demand for transportation. But the fundamental idea that these railways are public highways must be recognized, and they must be open to the whole public upon equal terms and upon reasonable terms.

In reference to the Sherman antitrust law, I repeat the recommendations made in my message at the opening of the present Congress, as well as in my message to the previous Congress. The attempt in this law to provide in sweeping terms against all combinations of whatever character, if technically in restraint of trade as such restraint has been defined by the courts, must necessarily be either futile or mischievous, and sometimes both. The present law makes some combinations illegal, although they may be useful to the country. On the other hand, as to some huge combinations which are both noxious and illegal, even if the action undertaken against them under the law by the Government is successful, the result may be to work but a minimum benefit to the public. Even though the combination be broken up and a small measure of reform thereby produced, the real good aimed at can not be obtained, for such real good can come only by a thorough and continuing supervision over the acts of the combination in all its parts, so as to prevent stock watering, improper forms of competition, and, in short, wrongdoing generally. The law should correct that portion of the Sherman Act which prohibits all combinations of the character above described, whether they be reasonable or unreasonable; but this should be done only as a part of a general scheme to provide for this effective and thoroughgoing supervision by the National Government of all the operations of the big interstate business concerns. Judge Hough, of New York, in his recent decision in the Harriman case, states that the Congress possesses the power to limit the interstate operations of corporations not complying with Federal safeguards against the recurrence of obnoxious practices, and to license those which afford the public adequate security against methods calculated to diminish solvency, and therefore efficiency and economy in interstate transportation. The judge adds that in these matters "the power of Congress is ample, though as yet not fruitful in results." It is very earnestly to be desired that either along the lines the judge indicates, or in some other way equally efficacious, the Congress may exercise the power which he holds it possesses.

Superficially it may seem that the laws, the passage of which I herein again advocate—for I have repeatedly advocated them before—are not connected. But in reality they are connected. Each and every one of these laws, if enacted, would represent part of the campaign against privilege, part of the campaign to make the class of great property holders realize that property has its duties no less than its rights. When the courts guarantee to the employer, as they should, the rights of the employer, and to property the rights of property, they should no less emphatically make it evident that they will exact from property and from the employer the duties which should necessarily accompany these rights; and hitherto our laws have failed in precisely this point of enforcing the performance of duty by the man of property toward the man who works for him, by the man of great wealth, especially if he uses that wealth in corporate form, toward the investor, the wageworker, and the general public. The permanent failure of the man of property to fulfill his obligations would ultimately assure the wresting from him of the privileges which he is entitled to enjoy only if he recognizes the obligations accompanying them. Those who assume or share the responsibility for this failure are rendering but a poor service to the cause which they believe they champion.

I do not know whether it is possible, but if possible, it is certainly desirable, that in connection with measures to restrain stock watering and overcapitalization there should be measures taken to prevent at least the grosser forms of gambling in securities and commodities, such as making large sales of what men do not possess and "cornering" the market. Legitimate purchases of commodities and of stocks and securities for investment have no connection whatever with purchases of stocks or other securities or commodities on a margin for speculative and gambling purposes. There is no moral differenece between gambling at cards or in lotteries or on the race track and gambling in the stock market. One method is just as pernicious to the body politic as the other in kind, and in degree the evil worked is far greater. But it is a far more difficult subject with which to deal. The great bulk of the business transacted on the exchanges is not only legitimate, but is necessary to the working of our modern industrial system, and extreme care would have to be taken not to interfere with this business in doing away with the "bucket shop" type of operation. We should study both the successes and the failures of foreign legislators who, notably in Germany, have worked along this line, so as not to do anything harmful. Moreover, there is a special difficulty in dealing with this matter by the Federal Government in a Federal Republic like ours. But if it is possible to devise a way to deal with it the effort should be made, even if only in a cautious and tentative way. It would seem that the Federal Government could at least act by forbidding the use of the mails, telegraph and telephone wires for mere gambling in stocks and futures, just as it does in lottery transactions.

I inclose herewith a statement issued by the Chief of the Bureau of Corporations (Appendix 1) in answer to certain statements (which I also inclose) made by and on behalf of the agents of the Standard Oil Corporation (Appendix 2) and a letter of the Attorney-General (Appendix 3) containing an answer to certain statements, also inclosed, made by the president of the Santa Fe Railway Company (Appendix 4). The Standard Oil Corporation and the railway company have both been found guilty by the courts of criminal misconduct; both have been sentenced to pay heavy fines; and each has issued and published broadcast these statements, asserting their innocence and denouncing as improper the action of the courts and juries in convicting them of guilt. These statements are very elaborate, are very ingenious, and are untruthful in important particulars. The following letter and inclosure from Mr. Heney sufficiently illustrate the methods of the high officials of the Santa Fe and show the utter falsity of their plea of ignorance, the similar plea of the Standard Oil being equally without foundation:

DEPARTMENT OF JUSTICE,
OFFICE OF THE UNITED STATES ATTORNEY,
DISTRICT OF OREGON,
PORTLAND, Jan. 11, 1908.

The PRESIDENT,
Washington, D. C.

DEAR MR. PRESIDENT: I understand that Mr. Ripley, of the Atchison, Topeka and Santa Fe Railway system, has commented with some severity upon your attitude toward the payment of rebates by certain transcontinental railroads and that he has declared that he personally never knew anything about any rebates being granted by his road. * * * I inclose you herewith copy of a letter from Edward Chambers, general freight traffic manager of the Atchison, Topeka and Santa Fe Railway system, to Mr. G. A. Davidson, auditor of the same company, dated February 27, 1907. * * *

This letter does not deal with interstate shipments, but the constitution of the State of California makes the payment of rebates by railroads a felony, and Mr. Ripley has apparently not been above the commission of crime to secure business. You are at liberty to use this inclosure in any way that you think it can be of service to yourself or the public. * * *

Sincerely, yours, FRANCIS J. HENEY.

SAN FRANCISCO, Feb. 27, 1907.

DEAR SIR: I hand you herewith a file of papers covering the movement of fuel oil shipped by the Associated Oil Company over our line from January 1, 1906, up to and including November 15, 1906.

We agreed with the Associated Oil Co.'s negotiations with Mr. Ripley, Mr. Wells, and myself, that in consideration of their making us a special price on oil for company use, which is covered by a contract, and the further consideration that we would take a certain quantity, they would in turn ship from Bakersfield over our line to San Francisco Bay points a certain minimum number of barrels of fuel oil at rate of 25 cents per barrel from Bakersfield, exclusive of the switching charge.

These statements cover the movement, except that they have included Stockton, which is not correct, as it is not a bay point and could not be reached as conveniently by water. We have paid them on account of this movement $7,239 which should be deducted from the total of movement shown in the attached papers.

I wish you would arrange to make up a statement, check the same, and refund to the Associated Oil Company down to the basis of 25 cents per barrel from Bakersfield where they are the shippers, regardless of who is consignee, as all their fuel oil is sold delivered. The reason for making this deal in addition to what I have stated, is that the Associated Oil Company have their own boats and carry oil from fields controlled by themselves along the coast near San Luis Obispo to San Francisco at a much lower cost than the special rate we have made them and in competition with the Union Oil Company and the Standard Oil Company, it was necessary for them to sell at the San Francisco Bay points on the basis of the cost of water transportation from the coast fields. They figured they could only afford to pay us the 25 cents per barrel if by doing this they sold our company a certain amount of fuel oil, otherwise the business covered by the attached papers would have come in by boat from the coast fields.

I am writing this up completely so that there may be in the papers a history of the reasons why this arrangement was made. I wish you would go ahead and make the adjustment as soon as possible, as the Associated Oil Company are very anxious to have the matter closed up.

The arrangement was canceled on November 15th at a conference between Mr. Ripley, Mr. Wells, Mr. Porter, and myself.

Yours, truly, EDWARD CHAMBERS.

Shipments-Associated Oil Company,
Mr. G. A. Davidson,
Auditor, Los Angeles.

The attacks by these great corporations on the Administration's actions have been given a wide circulation throughout the country, in the newspapers and otherwise, by those writers and speakers who, consciously or unconsciously, act as the representatives of predatory wealth—of the wealth accumulated on a giant scale by all forms of iniquity, ranging from the oppression of wageworkers to unfair and unwholesome methods of crushing out competition, and to defrauding the public by stock jobbing and the manipulation of securities. Certain wealthy men of this stamp, whose conduct should be abhorrent to every man of ordinarily decent conscience, and who commit the hideous wrong of teaching our young men that phenomenal business success must ordinarily be based on dishonesty, have during the last few months made it apparent that they have banded together to work for a reaction. Their endeavor is to overthrow and discredit all who honestly administer the law, to prevent any additional legislation which would check and restrain them, and to secure if possible a freedom from all restraint which will permit every unscrupulous wrongdoer to do what he wishes unchecked provided he has enough money. The only way to counteract the movement in which these men are engaged is to make clear to the public just what they have done in the past and just what they are seeking to accomplish in the present.

The Administration and those who support its views are not only not engaged in an assault on property, but are strenuous upholders of the rights of property. The wise attitude to take is admirably stated by Governor Fort, of New Jersey, in his recent inaugural address; the principles which he upholds as regards the State being of course identical with those which should obtain as regards the Nation.

"Just and fair regulation can only be objected to by those misconceiving the rights of the State. The State grants all corporate powers to its railways and other public utility corporations, and may not only modify, but repeal all charters and charter privileges it confers. It may, therefore, impose conditions upon their operation at its pleasure. Of course in the doing of these things, it should act wisely and with conservatism, protecting all vested rights of property and the interests of the innocent holders of the securities of existing *quasi*-public corporations. Regulation, therefore, upon a wise basis, of the operation of these public utilities companies, including the fixing of rates and public charges, upon complaint and subject to court review, should be intrusted to a proper board, as well as the right to regulate the output of stock and the bonded issues of such corporations. If this were done, it would inure to the benefit of the people and the companies, for it would fix the value of such securities, and act as a guaranty against their depreciation. Under such a law, the holders of existing securities would find them protected, and new securities offered would have the confidence of the people, because of the guaranty of the State that they were only issued for extensions or betterments and upon some basis of the cost of such extensions and betterments. It is difficult to suggest any legislation that would give greater confidence to the public and investors than a wise public utilities bill; and the mere suggestion of its enactment should cause this class of security holders to feel that their holdings were strengthened, and that the State was about to aid the managers of its public utility corporations to conserve their corporate property for the public benefit and for the protection of invested capital. * * *

"The time has come for the strict supervision of these great corporations and the limitation of their stock and bond issues under some proper public official. It will make for conservatism, and strengthen the companies doing a legitimate business, and eliminate, let us hope, those which are merely speculative in character and organized simply to catch the unsuspecting or credulous investor. Corporations have come in our business world to remain for all time. Corporate methods are the most satisfactory for business purposes in many cases. Every business or enterprise honestly incorporated should be protected, and the public made to feel confidence in its corporate organization. Capital invested in corporations must be as free from wrongful attack as that invested by individuals, and the State should do everything to foster and protect invested corporate capital and encourage the public in giving to it support and confidence. Nothing will do so much to achieve this desirable result as proper supervision and reasonable control over stock and bond issues, so that overcapitalization will be prevented and the people may know when they buy a share of stock or a bond * * * that the name of the State upon it stands as a guaranty that there is value behind it and reasonable safety in its purchase. The act must make it clear that the intent of the supervision by the Commissioner is not for the purpose of striking at corporate organizations or invested corporate capital, but rather to recognize and protect existing conditions and insure greater safeguards for the future. * * *

"Capital does not go into a State where reprisals are taken or vested interests are injured; it comes only where wise, conservative, safe treatment is assured, and it should be our policy to encourage and secure corporate rights and the best interests of stock and bond holders committed to our legal care."

Under no circumstances would we countenance attacks upon law-abiding property, or do aught but condemn those who hold up rich men as being evil men because of their riches. On the contrary, our whole effort is to insist upon conduct, and neither wealth nor property nor any other class distinction, as being the proper standard by which to judge the actions of men. For the honest man of great wealth we have a hearty regard, just as we have a hearty regard for the honest politician and honest newspaper. But part of the movement to uphold honesty must be a movement to frown on dishonesty. We attack only the corrupt men of wealth, who find in the purchased politician the most efficient instrument of corruption and in the purchased newspaper the most efficient defender of corruption. Our main quarrel is not with these agents and representatives of the interests. They derive their chief power from the great sinister offenders who stand behind them. They are but puppets who move as the strings are pulled. It is not the puppets, but the strong cunning men and the mighty forces working for evil behind and through the puppets, with whom we have to deal. We seek to control law-defying wealth; in the first place to prevent its doing dire evil to the Republic, and in the next place to avoid the vindictive and dreadful radicalism which, if left uncontrolled, it is certain in the end to arouse. Sweeping attacks upon all property, upon all men of means, without regard to whether they do well or ill, would sound the death-knell of the Republic; and such attacks become inevitable if decent citizens permit those rich men whose lives are corrupt and evil to domineer in swollen pride, unchecked and unhindered, over the destinies of this country. We act in no vindictive spirit, and we are no respecters of persons. If a labor union does wrong, we oppose it as firmly as we oppose a corporation which does wrong; and we stand equally stoutly for the rights of the man of wealth and for the rights of the wageworker. We seek to protect the property of every man who acts honestly, of every corporation that represents wealth honestly accumulated and honestly used. We seek to stop wrongdoing, and we desire to punish the wrongdoers only so far as is necessary to achieve this end.

There are ample material rewards for those who serve with fidelity the mammon of unrighteousness; but they are dearly paid for by the people who permit their representatives, whether in public life, in the press, or in the colleges where their young men are taught, to preach and to practice that there is one law for the rich and another for the poor. The amount of money the representatives of certain great moneyed interests are willing to spend can be gauged by their recent publication broadcast throughout the papers of this country, from the Atlantic to the Pacific, of huge advertisements attacking with envenomed bitterness the Administration's policy of warring against successful dishonesty, and by their circulation of pamphlets and books prepared with the same object; while they likewise push the circulation of the writings and speeches of men who, whether because they are misled, or because, seeing the light, they are willing to sin against the light, serve these their masters of great wealth to the cost of the plain people. The books and pamphlets, the controlled newspapers, the speeches by public or private men to which I refer, are usually and especially in the interest of the Standard Oil Trust and of certain notorious railroad combinations, but they also defend other individuals and corporations of great wealth that have been guilty of wrongdoing. It is only rarely that the men responsible for the wrongdoing themselves speak or write. Normally they hire others to do their bidding, or find others who will do it without hire. From the railroad-rate law to the pure-food law, every measure for honesty in business that has been passed during the last six years has been opposed by these men on its passage and in its administration with every resource that bitter and unscrupulous craft could suggest and the command of almost unlimited money secure. But for the last year the attack has been made with most bitterness upon the actual administration of the law, especially through the Department of Justice, but also through the Interstate Commerce Commission and the Bureau of Corporations. The extraordinary violence of the assaults upon our policy contained in these speeches, editorials, articles, advertisements, and pamphlets, and the enormous sums of money spent in these various ways, give a fairly accurate measure of the anger and terror which our public actions have caused the corrupt men of vast wealth to feel in the very marrow of their being. The attack is sometimes made openly against us for enforcing the law, and sometimes with a certain cunning, for not trying to enforce it in some other way than that which experience shows to be practical. One of the favorite methods of the latter class of assailant is to attack the Administration for not procuring the imprisonment instead of the fine of offenders under these antitrust laws. The man making this assault is usually either a prominent lawyer or an editor who takes his policy from the financiers and his arguments from their attorneys. If the former, he has defended and advised many wealthy malefactors, and he knows well that, thanks to the advice of lawyers like himself, a certain kind of modern corporation has been turned into an admirable instrument by which to render it well-nigh impossible to get at the head of the corporation, at the man who is really most guilty. When we are able to put the real wrongdoer in prison, this is what we strive to do; this is what we have actually done with some very wealthy criminals, who, moreover, represented that most baneful of all alliances, the alliance between the corruption of organized politics and the corruption of high finance. This is what we have done in the Gaynor and Greene case, in the case of the misapplication of funds in connection with certain great banks in Chicago, in the land-fraud cases, where, as in other cases likewise, neither the highest political position nor the possession of great wealth, has availed to save the offenders from prison. The Federal Government does scourge sin; it does bid sinners fear; for it has put behind the bars with impartial severity, the powerful financier, the powerful politician, the rich land thief, the rich contractor—all, no matter how high their station, against whom criminal misdeeds can be proved. All their wealth and power can not protect them. But it often happens that the effort to imprison a given defendant is certain to be futile, while it is possible to fine him or to fine the corporation of which he is head; so that, in other words, the only way of punishing the wrong is by fining the corporation, unless we are content to proceed personally against the minor agents. The corporation lawyers to whom I refer and their employers are the men mainly responsible for this state of things, and their responsibility is shared with all who ingeniously oppose the passing of just and effective laws, or who fail to execute them when they have been put on the statute books.

Much is said, in these attacks upon the policy of the present Administration, about the rights of "innocent stockholders." That stockholder is not innocent who voluntarily purchases stock in a corporation whose methods and management he knows to be corrupt; and "innocent stockholders" when a great law-defying corporation is punished, are the first estopped from complaining about the proceedings the Government finds necessary in order to compel the corporation to obey the law. There has been in the past grave wrong done innocent stockholders by overcapitalization, stock-watering, stock jobbing, stock-manipulation. This we have sought to prevent, first, by exposing the thing done and punishing the offender when any existing law had been violated; second, by recommending the passage of laws which would make unlawful similar practices for the future. The public men, lawyers, and editors who loudly proclaim their sympathy for the "innocent stockholders" when a great lawdefying corporation is punished, are the first to protest with frantic vehemence against all efforts by law to put a stop to the practices which are the real and ultimate sources of the damage alike to the stockholders and the public. The apologists of successful dishonesty always declaim against any effort to punish or prevent it, on the ground that any such effort will "unsettle business." It is they who by their acts have unsettled business; and the very men raising this cry spend hundreds of thousands of dollars in securing, by speech, editorial, book, or pamphlet, the defense by misstatements of what they have done; and yet when public servants correct their misstatements by telling the truth they declaim against them for breaking silence, lest "values be depreciated." They have hurt honest business men, honest workingmen, honest farmers; and now they clamor against the truth being told.

The keynote of all these attacks upon the effort to secure honesty in business and in politics is well expressed in brazen protests against any effort for the moral regeneration of the business world, on the ground that it is unnatural, unwarranted, and injurious, and that business panic is the necessary penalty for such effort to secure business honesty. The morality of such a plea is precisely as great as if made on behalf of the men caught in a gambling establishment when that gambling establishment is raided by the police. If such words mean anything they mean that those whose sentiments they represent stand against the effort to bring about a moral regeneration of business which will prevent a repetition of the insurance, banking, and street railroad scandals in New York; a repetition of the Chicago and Alton deal; a repetition of the combination between certain professional politicians, certain professional labor leaders, and certain big financiers, from the disgrace of which San Francisco has just been rescued; a repetition of the successful effort by the Standard Oil people to crush out every competitor, to overawe the common carriers, and to establish a monopoly which treats the public with a contempt which the public deserves so long as it permits men of such principles and such sentiments to avow and act on them with impunity. The outcry against stopping dishonest practices among wrongdoers who happen to be wealthy is precisely similar to the outcry raised against every effort for cleanliness and decency in city government, because, forsooth, it will "hurt business." The same outcry is made aginst the Department of Justice for prosecuting the heads of colossal corporations that has been made against the men who in San Francisco have prosecuted with impartial severity the wrongdoers among business men, public officials, and labor leaders alike. The principle is the same in the two cases. Just as the blackmailer and bribe giver stand on the same evil eminence of infamy, so the man who makes an enormous fortune by corrupting legislatures and municipalities and fleecing his stockholders and the public, stands on the same moral level with the creature who fattens on the blood money of the gambling house and the saloon. Moreover, in the last analysis, both kinds of corruption are far more intimately connected than would at first sight appear; the wrongdoing is at bottom the same. Corrupt business and corrupt politics act and react with ever increasing debasement, one on the other; the corrupt head of a corporation and the corrupt labor leader are both in the same degree the enemies of honest corporations and honest labor unions; the rebate taker, the franchise trafficker, the manipulator of securities, the purveyor and protector of vice, the blackmailing ward boss, the ballot-box stuffer, the demagogue, the mob leader, the hired bully, and mankiller—all alike work at the same web of corruption, and all alike should be abhorred by honest men.

The "business" which is hurt by the movement for honesty is the kind of business which, in the long run, it pays the country to have hurt. It is the kind of business which has tended to make the very name "high finance" a term of scandal to which all honest American men of business should join in putting an end. The special pleaders for business dishonesty, in denouncing the present Administration for enforcing the law against the huge and corrupt corporations which have defied the law, also denounce it for endeavoring to secure sadly needed labor legislation, such as a far-reaching law making employer liable for injuries to their employees. It is meet and fit that the apologists for corrupt wealth should oppose every effort to relieve weak and helpless people from crushing misfortune brought upon them by injury in the business from which they gain a bare livelihood. The burden should be distributed.. It is hypocritical baseness to speak of a girl who works in a factory where the dangerous machinery is unprotected as having the "right" freely to contract to expose herself to dangers to life and limb. She has no alternative but to suffer want or else to expose herself to such dangers, and when she loses a hand or is otherwise maimed or disfigured for life, it is a moral wrong that the whole burden of the risk necessarily incidental to the business should be placed with crushing weight upon her weak shoulders, and all who profit by her work escape scot-free. This is what opponents of a just employers' liability law advocate; and it is consistent that they should usually also advocate immunity for those most dangerous members of the criminal class—the criminals of great wealth.

Our opponents have recently been bitterly criticising the two judges referred to in the accompanying communications from the Standard Oil Company and the Santa Fe Railroad for having imposed heavy fines on these two corporations; and yet these same critics of these two judges exhaust themselves in denouncing the most respectful and cautious discussion of the official action of a judge which results in immunity to wealthy and powerful wrongdoers or which renders nugatory a temperate effort to better the conditions of life and work among those of our fellow countrymen whose need is greatest. Most certainly it behooves us all to treat with the utmost respect the high office of judge; and our judges, as a whole, are brave and upright men. Respect for the law must go hand in hand with respect for the judges; and, as a whole, it is true now as in the past that the judges stand in character and service above all other men among their fellow-servants of the public. There is all the greater need that the few who fail in this great office, who fall below this high standard of integrity, of wisdom, of sympathetic understanding and of courage, should have their eyes opened to the needs of their countrymen. A judge who on the bench either truckles to the mob and shrinks from sternly repressing violence and disorder, or bows down before a corporation; who fails to stand up valiantly for the rights of property on the one hand, or on the other by misuse of the process of injunction or by his attitude toward all measures for the betterment of the conditions of labor, makes the wageworker feel with bitterness that the courts are hostile to him; or who fails to realize that all public servants in their several stations must strive to stop the abuses of the criminal rich—such a man performs an even worse service to the body politic than the legislator or executive who goes wrong. The judge who does his full duty well stands higher, and renders a better service to the people, than any other public servant; he is entitled to greater respect; and if he is a true servant of the people, if he is upright, wise and fearless, he will unhesitatingly disregard even the wishes of the people if they conflict with the eternal principles of right as against wrong. He must serve the people; but he must serve his own conscience first. All honor to such a judge; and all honor can not be rendered him if it is rendered equally to his brethren who fall immeasurably below the high ideals for which he stands. Untruthful criticism is wicked at all times, and whoever may be the object; but it is a peculiarly flagrant iniquity when a judge is the object. No man should lightly criticize a judge; no man shall, even in his own mind, condemn a judge unless he is sure of the facts. If a judge is assailed for standing against popular folly, and above all for standing against mob violence, all honorable men should rally instantly to his support. Nevertheless if he clearly fails to do his duty by the public in dealing with lawbreaking corporations, lawbreaking men of wealth, he must expect to feel the weight of public opinion; and this is but right, for except in extreme cases this is the only way in which he can be reached at all. No servant of the people has a right to expect to be free from just and honest criticism.

The opponents of the measures we champion single out now one and now another measure for especial attack, and speak as if the movement in which we are engaged was purely economic. It has a large economic side, but it is fundamentally an ethical movement. It is not a movement to be completed in one year, or two or three years; it is a movement which must be persevered in until the spirit which lies behind it sinks deep into the heart and the conscience of the whole people. It is always important to choose the right means to achieve our purpose, but it is even more important to keep this purpose clearly before us; and this purpose is to secure national honesty in business and in politics. We do not subscribe to the cynical belief that dishonesty and unfair dealing are essential to business success, and are to be condoned when the success is moderate and applauded when the success is great. The methods by which the Standard Oil people and those engaged in the other combinations of which I have spoken above have achieved great fortunes can only be justified by the advocacy of a system of morality which would also justify every form of criminality on the part of a labor union, and every form of violence, corruption, and fraud, from murder to bribery and ballot-box stuffing in politics. We are trying to secure equality of opportunity for all; and the struggle for honesty is the same whether it is made on behalf of one set of men or of another. In the interest of the small settlers and landowners, and against the embittered opposition of wealthy owners of huge wandering flocks of sheep, or of corporations desiring to rob the people of coal and timber, we strive to put an end to the theft of public land in the West. When we do this, and protest against the action of all men, whether in public life or in private life, who either take part in or refuse to try to stop such theft, we are really engaged in the same policy as when we endeavor to put a stop to rebates or to prevent the upgrowth of uncontrolled monopolies. Our effort is simply to enforce the principles of common honesty and common sense. It would indeed be ill for the country should there be any halt in our work.

The laws must in the future be administered as they are now being administered, so that the Department of Department of Justice may continue to be, what it now is, in very fact the Department of Justice, where so far as our ability permits justice is meted out with an even hand to great and small, rich and poor, weak and strong. Moreover, there should be no delay in supplementing the laws now on the statute books by the enactment of further legislation as outlined in the message I sent to the Congress on its assembling. Under the existing laws much, very much, has been actually accomplished during the past six years, and it has been shown by actual experience that they can be enforced against the wealthiest corporation and the richest and most powerful manager or manipulator of that corporation, as rigorously and fearlessly as against the humblest offender. Above all, they have been enforced against the very wrongdoers and agents of wrongdoers who have for so many years gone scot-free and flouted the laws with impunity, against great law-defying corporations of immense wealth, which, until within the last half dozen years, have treated themselves and have expected others to treat them as being beyond and above all possible check from law.

It is especially necessary to secure to the representatives of the National Government full power to deal with the great corporations engaged in interstate commerce, and above all, with the great interstate common carriers. Our people should clearly recognize that while there are difficulties in any course of conduct to be followed in dealing with these great corporations, these difficulties must be faced, and one of three courses followed.

The first course is to abandon all effort to oversee and control their actions in the interest of the general public and to permit a return to the utter lack of control which would obtain if they were left to the common law. I do not for one moment believe that our people would tolerate this position. The extraordinary growth of modern industrialism has rendered the common law, which grew up under and was adapted to deal with totally different conditions, in many respects inadequate to deal with the new conditions. These new conditions make it necessary to shackle cunning as in the past we have shackled force. The vast individual and corporate fortunes, the vast combinations of capital, which have marked the development of our industrial system, create new conditions, and necessitate a change from the old attitude of the State and the Nation toward the rules regulating the acquisition and untrammeled business use of property, in order both that property may be adequately protected, and that at the same time those who hold it may be prevented from wrongdoing.

The second and third courses are to have the regulation undertaken either by the Nation or by the States. Of course in any event both the National Government and the several State governments must do each its part, and each can do a certain amount that the other can not do, while the only really satisfactory results must be obtained by the representatives of the National and State governments working heartily together within their respective spheres. But in my judgment thoroughgoing and satisfactory control can in the end only be obtained by the action of the National Government, for almost all the corporations of enormous wealth—that is, the corporations which it is especially desirable to control—are engaged in interstate commerce, and derive their power and their importance not from that portion of their business which is intrastate, but from the interstate business. It is not easy always to decide just where the line of demarcation between the two kinds of business falls. This line must ultimately be drawn by the Federal courts. Much of the effort to secure adequate control of the great corporations by State action has been wise and effective, but much of it has been neither; for when the effort is made to accomplish by the action of the State what can only be accomplished by the action of the Nation, the result can only be disappointment, and in the end the law will probably be declared unconstitutional. So likewise in the national arena, we who believe in the measures herein advocated are hampered and not aided by the extremists who advocate action so violent that it would either be useless or else would cause more mischief than it would remedy.

In a recent letter from a learned judge of the supreme court of one of the Gulf States, the writer speaks as follows:

"In all matters pertaining to interstate commerce the authority of the National Government already exists and does not have to be acquired, and the exercise of this existing authority can be in no sense a usurpation of, or infringement upon, the rights of the States. On the contrary, had the Federal Government given this question more attention in the past and applied a vigorous check to corporate abuses, conditions would now be better, because the States would have had fewer real or imaginary grievances and have had less cause not only to attempt the exercise of the authority reserved to the National Government, but to act without proper moderation in matters peculiarly within their own provinces. The National Government has been remiss in the past, but even at this late day it can solve this problem, and the sooner the National authority is exercised the less apt are the States to take action which will represent encroachment upon the National domain. There is a field of operations for both powers, and plenty alike for National and State governments to do in order to protect both the people and the public utilities. The line of demarcation between Federal and State authority can and should be speedily settled by the Federal courts. The fact that the National Government has omitted to exercise the authority conferred upon it by the interstate commerce clause of the Constitution has made the States restive under what they deem corporate abuses, and in some cases has probably stimulated them to go too far in the attempt to correct these abuses, with the result that all measures which they passed, good or bad, have been held up by the Federal courts. The necessary equitable and uniform regulation can not be obtained by the separate action of the States, but only by the affirmative action of the National Government."

This is an appeal by a high State judge, alarmed, as good citizens should be alarmed, by conflicts over the matter of jurisdiction, and by the radical action advocated by honest people smarting from a sense of injury received from corporations; which injury the Federal courts forbid the States to try to remedy, while the Federal Government nevertheless refrains from itself taking adequate measures to provide a remedy. It can not too strongly be insisted that the defenders and apologists of the great corporations, who have sought in the past and still seek to prevent adequate action by the Federal Government to control these great corporations, are not only proving false to the people, but are laying up a day of wrath for the great corporations themselves. The Nation will not tolerate an utter lack of control over very wealthy men of enormous power in the industrial, and therefore in the social, lives of all our people, some of whom have shown themselves cynically and brutally indifferent to the interests of the people; and if the Congress does not act, with good tempered and sensible but resolute thoroughness, in cutting out the evils and in providing an effective supervision, the result is certain to be action on the part of the separate States, sometimes wise, sometimes ill-judged and extreme, sometimes unjust and damaging to the railroads or other corporations, more often ineffective from every standpoint, because the Federal courts declare it unconstitutional.

We have just passed through two months of acute financial stress. At any such time it is a sad fact that entirely innocent people suffer from no fault of their own; and everyone must feel the keenest sympathy for the large body of honest business men, of honest investors, of honest wageworkers, who suffer because involved in a crash for which they are in no way responsible. At such a time there is a natural tendency on the part of many men to feel gloomy and frightened at the outlook; but there is no justification for this feeling. There is no nation so absolutely sure of ultimate success as ours. Of course we shall succeed. Ours is a nation of masterful energy, with a continent for its domain, and it feels within its veins the thrill which comes to those who know that they possess the future. We are not cast down by the fear of failure. We are upheld by the confident hope of ultimate triumph. The wrongs that exist are to be corrected; but they in no way justify doubt as to the final outcome, doubt as to the great material prosperity of the future, or of the lofty spiritual life which is to be built upon that prosperity as a foundation. No misdeeds in the present must be permitted to shroud from our eyes the glorious future of the Nation; but because of this very fact it behooves us never to swerve from our resolute purpose to cut out wrongdoing and uphold what is right.

I do not for a moment believe that the actions of this Administration have brought on business distress; so far as this is due to local and not world-wide causes, and to the actions of any particular individuals, it is due to the speculative folly and flagrant dishonesty of a few men of great wealth, who seek to shield themselves from the effects of their own wrongdoing by ascribing its results to the actions of those who have sought to put a stop to the wrongdoing. But if it were true that to cut out rottenness from the body politic meant a momentary check to an unhealthy seeming prosperity, I should not for one moment hesitate to put the knife to the corruption. On behalf of all our people, on behalf no less of the honest man of means than of the honest man who earns each day's livelihood by that day's sweat of his brow, it is necessary to insist upon honesty in business and politics alike, in all walks of life, in big things and in little things; upon just and fair dealing as between man and man. Those who demand this are striving for the right in the spirit of Abraham Lincoln when he said:

"Fondly do we hope, fervently do we pray, that this mighty scourge may speedily pass away. Yet, if God wills that it continue until all the wealth piled by the bondsmen's two hundred and fifty years of unrequited toil shall be sunk, and until every drop of blood drawn with the lash shall be paid by another drawn with the sword, as was said three thousand years ago so still it must be said, 'The judgments of the Lord are true and righteous altogether.'

"With malice toward none; with charity for all; with firmness in the right, as God gives us to see the right, let us strive on to finish the work we are in."

In the work we of this generation are in, there is, thanks be to the Almighty, no danger of bloodshed and no use for the sword; but there is grave need of those stern qualities shown alike by the men of the North and the men of the South in the dark days when each valiantly battled for the light as it was given each to see the light. Their spirit should be our spirit, as we strive to bring nearer the day when greed and trickery and cunning shall be trampled under foot by those who fight for the righteousness that exalteth a nation.

THEODORE ROOSEVELT.

THE WHITE HOUSE,
January 31, 1908.

SPECIAL MESSAGE.

To the Senate and House of Representatives:

Let me again urge upon the Congress the need of providing for four battle ships of the best and most advanced type at this session. Prior to the recent Hague Conference it had been my hope that an agreement could be reached between the different nations to limit the increase of naval armaments, and especially to limit the size of warships. Under these circumstances I felt that the construction of one battle ship a year would keep our Navy up to its then positive and relative strength. But actual experience showed not merely that it was impossible to obtain such an agreement for the limitation of armaments among the various leading powers, but that there was no likelihood whatever of obtaining it in the future within any reasonable time. Coincidentally with this discovery occurred a radical change in the building of battle ships among the great military nations—a change in accordance with which the most modern battle ships have been or are being constructed, of a size and armament which doubles, or more probably trebles, their effectiveness. Every other great naval nation has or is building a number of ships of this kind; we have provided for but two, and therefore the balance of power is now inclining against us. Under these conditions, to provide for but one or two battle ships a year is to provide that this Nation, instead of advancing, shall go backward in naval rank and relative power among the great nations. Such a course would be unwise for us if we fronted merely on one ocean, and it is doubly unwise when we front on two oceans. As Chief Executive of the Nation, and as Commander in Chief of the Navy, there is imposed upon me the solemn responsibility of advising the Congress of the measures vitally necessary to secure the peace and welfare of the Republic in the event of international complications which are even remotely possible. Having in view this solemn responsibility, I earnestly advise that the Congress now provide four battle ships of the most advanced type. I can not too emphatically say that this is a measure of peace and not of war. I can conceive of no circumstances under which this Republic would enter into an aggressive war; most certainly, under no circumstances would it enter into an aggressive war to extend its territory or in any other manner seek material aggrandizement. I advocate that the United States build a navy commensurate with its powers and its needs, because I feel that such a navy will be the surest guaranty and safeguard of peace. We are not a military nation. Our army is so small as to present an almost absurd contrast to our size, and is properly treated as little more than a nucleus for organization in case of serious war. Yet we are a rich Nation, and undefended wealth invites aggression. The very liberty of individual speech and action, which we so prize and guard, renders it possible that at times unexpected causes of friction with foreign powers may suddenly develop. At this moment we are negotiating arbitration treaties with all the other great powers that are willing to enter into them. These arbitration treaties have a special usefulness because in the event of some sudden disagreement they render it morally incumbent upon both nations to seek first to reach an agreement through arbitration, and at least secure a breathing space during which the cool judgment of the two nations involved may get the upper hand over any momentary burst of anger. These arbitration treaties are entered into not only with the hope of preventing wrongdoing by others against us, but also as a proof that we have no intention of doing wrong ourselves.

Yet it is idle to assume, and from the standpoint of national interest and honor it is mischievous folly for any statesman to assume, that this world has yet reached the stage, or has come within measurable distance of the stage, when a proud nation, jealous of its honor and conscious of its great mission in the world, can be content to rely for peace upon the forbearance of other powers. It would be equally foolish to rely upon each of them possessing at all times and under all circumstances and provocations an altruistic regard for the rights of others. Those who hold this view are blind indeed to all that has gone on before their eyes in the world at large. They are blind to what has happened in China, in Turkey, in the Spanish possessions, in Central and South Africa, during the last dozen years. For cenuries China has cultivated the very spirit which our own peace-at-any-price men wish this country to adopt. For centuries China has refused to provide military forces and has treated the career of the soldier as inferior in honor and regard to the career of the merchant or of the man of letters. There never has been so large an empire which for so long a time has so resolutely proceeded on the theory of doing away with what is called "militarism." Whether the result has been happy in internal affairs I need not discuss; all the advanced reformers and farsighted patriots in the Chinese Empire are at present seeking (I may add, with our hearty good will) for a radical and far-reaching reform in internal affairs. In external affairs the policy has resulted in various other nations now holding large portions of Chinese territory, while there is a very acute fear in China lest the Empire, because of its defenselessness, be exposed to absolute dismemberment, and its well-wishers are able to help it only in a small measure, because no nation can help any other unless that other can help itself.

The State Department is continually appealed to to interfere on behalf of peoples and nationalities who insist that they are suffering from oppression; now Jews in one country, now Christians in another; now black men said to be oppressed by white men in Africa. Armenians, Koreans, Finns, Poles, representatives of all appeal at times to this Government. All of this oppression is alleged to exist in time of profound peace, and frequently, although by no means always, it is alleged to occur at the hands of people who are not very formidable in a military sense. In some cases the accusations of oppression and wrongdoing are doubtless ill-founded. In others they are well founded, and in certain cases the most appalling loss of life is shown to have occurred, accompanied with frightful cruelty. It is not our province to decide which side has been right and which has been wrong in all or any of these controversies. I am merely referring to the loss of life. It is probably a conservative statement to say that within the last twelve years, at periods of profound peace, and not as the result of war, massacres and butcheries have occurred in which more lives of men, women, and children have been lost than in any single great war since the close of the Napoleonic struggles. To any public man who knows of the complaints continually made to the State Department there is an element of grim tragedy in the claim that the time has gone by when weak nations or peoples can be oppressed by those that are stronger, without arousing effective protest from other strong interests. Events still fresh in the mind of every thinking man show that neither arbitration nor any other device can as yet be invoked to prevent the gravest and most terrible wrongdoing to peoples who are either few in numbers, or who, if numerous, have lost the first and most important of national virtues—the capacity for self-defense.

When a nation is so happily situated as is ours—that is, when it has no reason to fear or to be feared by its land neighbors—the fleet is all the more necessary for the preservation of peace. Great Britain has been saved by its fleet from the necessity of facing one of the two alternatives—of submission to conquest by a foreign power or of itself becoming a great military power. The United States can hope for a permanent career of peace on only one condition, and that is, on condition of building and maintaining a first-class navy; and the step to be taken toward this end at this time is to provide for the building of four additional battle ships. I earnestly wish that the Congress would pass the measures for which I have asked for strengthening and rendering more efficient the Army as well as the Navy; all of these measures as affecting every branch and detail of both services are sorely needed, and it would be the part of farsighted wisdom to enact them all into laws, but the most vital and immediate need is that of the four battle ships.

To carry out this policy is but to act in the spirit of George Washington; is but to continue the policies which he outlined when he said, "Observe good faith and justice toward all nations. Cultivate peace and harmony with all. * * * Nothing is more essential than that permanent, inveterate antipathies against particular nations and passionate attachments for others should be excluded and that in place of them just and amicable feelings toward all should be cultivated. * * *

"I can not recommend to your notice measures for the fulfillment of our duties to the rest of the world without again pressing upon you the necessity of placing ourselves in a condition of complete defense and of exacting from them the fulfillment of their duties toward us. The United States ought not to indulge a persuasion that, contrary to the order of human events, they will forever keep at a distance those painful appeals to arms with which the history of every other nation abounds. There is a rank due to the United States among nations which will be withheld, if not absolutely lost, by the reputation of weakness. If we desire to avoid insult, we must be able to repel it; if we desire to secure peace, one of the most powerful instruments of our rising prosperity, it must be known that we are at all times ready for war."

THEODORE ROOSEVELT.

THE WHITE HOUSE, *April 14, 1908.*

SPECIAL MESSAGE.

To the House of Representatives:

I return herewith without my approval House bill 17707 to authorize William H. Standish to construct a dam across James River, in Stone County, Mo., and divert a portion of its waters through a tunnel into the said river again to create electric power. My reasons for not signing the bill are:

The bill gives to the grantee a valuable privilege, which by its very nature is monopolistic, and does not contain the conditions essential to protect the public interest.

In pursuance of a policy declared in my message of February 26, 1908 (S. Doc. No. 325), transmitting the report of the Inland Waterways Commission to Congress, I wrote on March 13, 1908, the following letter to the Senate Committee on Commerce:

> Numerous bills granting water rights in conformity with the general act of June 21, 1906, have been introduced during the present session of Congress, and some of these have already passed. While the general act authorizes the limitation and restriction of water rights in the public interest and would seem to warrant making a reasonable charge for the benefits conferred, those bills which have come to my attention do not seem to guard the public interests adequately in these respects. The effect of granting privileges such as are conferred by these bills, as I said in a recent message, "taken together with rights already acquired under state laws, would be to give away properties of enormous value. Through lack of foresight we have formed the habit of granting without compensation extremely valuable rights, amounting to monopolies, on navigable streams and on the public domain. The repurchase at great expense of water rights thus carelessly given away without return has already begun in the East, and before long will be necessary in the West also. No rights involving water power should be granted to any corporation in perpetuity, but only for a length of time sufficient to allow them to conduct their business profitably. A reasonable charge should, of course, be made for valuable rights and privileges which they obtain from the National Government. The values for which this charge is made will ultimately, through the natural growth and orderly development of our population and industries, reach enormous amounts. A fair share of the increase should be safeguarded for the benefit of the people, from whose labor it springs. The proceeds thus secured, after the cost of administration and improvement has been met, should naturally be devoted to the development of our inland waterways." Accordingly I have decided to sign no bills hereafter which do not provide specifically for the right to fix and make a charge and for a definite limitation in time of the rights conferred.

In my veto message of April 13, 1908, returning House bill 15444, to extend the time for the construction of a dam across Rainy River, I said:

We are now at the beginning of great development in water power. Its use through electrical transmission is entering more and more largely into every element of the daily life of the people. Already the evils of monopoly are becoming manifest; already the experience of the past shows the necessity of caution in making unrestricted grants of this great power.

The present policy pursued in making these grants is unwise in giving away the property of the people in the flowing waters to individuals or organizations practically unknown, and granting in perpetuity these valuable privileges in advance of the formulation of definite plans as to their use. In some cases the grantees apparently have little or no financial or other ability to utilize the gift, and have sought it merely because it could be had for the asking.

The Rainy River Company, by an agreement in writing, approved by the War Department, subsequently promised to submit to and abide by such conditions as may be imposed by the Secretary of War, including a time limit and a reasonable charge. Only because of its compliance in this way with these conditions did the bill extending the time limit for that project finally become a law.

An amendment to the present bill expressly authorizing the Government to fix a limitation of time and impose a charge was proposed by the War Department. The letter, veto message, and amendment above referred to were considered by the Senate Committee on Commerce, as appears by the committee's report on the present bill, and the proposed amendment was characterized by the committee as a "new departure from the policy heretofore pursued in respect to legislation authorizing the construction of such dams." Their report set forth an elaborate legal argument intended to show that the Federal Government has no power to impose any charge whatever for such a privilege.

The fact that the proposed policy is new is in itself no sufficient argument against its adoption. As we are met with new conditions of industry seriously affecting the public welfare, we should not hesitate to adopt measures for the protection of the public merely because those measures are new. When the public welfare is involved, Congress should resolve any reasonable doubt as to its legislative power in favor of the people and against the seekers for a special privilege.

My reason for believing that the Federal Government, in granting a license to dam a navigable river, has the power to impose any conditions it finds necessary to protect the public, including a charge and a limitation of the time, is that its consent is legally essential to an enterprise of this character. It follows that Congress can impose conditions upon its consent. This principle was clearly stated in the House of Representatives on March 28, 1908, by Mr. Williams, of Mississippi, when he said:

* * * There can be no doubt in the mind of any man seeking merely the public good and public right, independently of any desire for local legislation, of this general proposition: that whenever any sovereignty, state or federal, is required to issue a charter or a license or a consent, in order to confer powers upon individuals or corporations, it is the duty of that sovereignty in the interests of the people so to condition the grant of that power as that it shall redound to the interest of all the people, and that utilities of vast value should not be gratuitously granted to individuals or corporations and perpetually alienated from the people or the state or the government.

* * * It is admitted that this power to erect dams in navigable streams can not be exercised by anybody except by an act of Congress. Now, then, if it require an act of Congress to permit any man to put a dam in a navigable stream, then two things follow: Congress should so exercise the power in making that grant as, first, to prevent any harm to the navigability of the stream itself, and, secondly, so as to prevent any individual or any private corporation from securing through the act of Congress any uncompensated advantage of private profit.

The authority of Congress in this matter was asserted by Secretary Taft on April 17, 1908, in his report on Senator Newlands's Inland Waterways Commission bill (S. 500), where he said:

In the execution of any project and as incidental to and inseparably connected with the improvement of navigation, the power of Congress extends to the regulation of the use and development of the waters for purposes subsidiary to navigation.

And by the Solicitor-General in a memorandum prepared after a careful investigation of the subject.

Believing that the National Government has this power, I am convinced that its power ought to be exercised. The people of the country are threatened by a monopoly far more powerful, because in far closer touch with their domestic and industrial life, than anything known to our experience. A single generation will see the exhaustion of our natural resources of oil and gas and such a rise in the price of coal as will make the price of electrically transmitted water power a controlling factor in transportation, in manufacturing, and in household lighting and heating. Our water power alone, if fully developed and wisely used, is probably sufficient for our present transportation, industrial, municipal, and domestic needs. Most of it is undeveloped and is still in national or state control.

To give away, without conditions, this, one of the greatest of our resources, would be an act of folly. If we are guilty of it, our children will be forced to pay an annual return upon a capitalization based upon the highest prices which "the traffic will bear." They will find themselves face to face with powerful interests intrenched behind the doctrine of "vested rights" and strengthened by every defense which money can buy and the ingenuity of able corporation lawyers can devise. Long before that time they may and very probably will have become a consolidated interest, controlled from the great financial centers, dictating the terms upon which the citizen can conduct his business or earn his livelihood, and not amenable to the wholesome check of local opinion.

The total water power now in use by power plants in the United States is estimated by the Bureau of the Census and the Geological Survey as 5,300,000 horsepower. Information collected by the Bureau of Corporations shows that thirteen large concerns, of which the General Electric Company and the Westinghouse Electric and Manufacturing Company are most important, now hold water-power installations and advantageous power sites aggregating about 1,046,000 horsepower, where the control by these concerns is practically admitted. This is a quantity equal to over 19 per cent of the total now in use. Further evidence of a very strong nature as to additional intercorporate relations, furnished by the bureau, leads me to the conclusion that this total should be increased to 24 per cent; and still other evidence, though less conclusive, nevertheless affords reasonable ground for enlarging this estimate by 9 per cent additional. In other words, it is probable that these thirteen concerns directly or indirectly control developed water power and advantageous power sites equal to more than 33 per cent of the total water power now in use. This astonishing consolidation has taken place practically within the last five years. The movement is still in its infancy, and unless it is controlled the history of the oil industry will be repeated in the hydro-electric power industry, with results far more oppressive and disastrous for people. It is true that the great bulk of our potential water power is as yet undeveloped, but the sites which are now controlled by combinations are those which offer the greatest advantages and therefore hold a strategic position. This is certain to be strengthened by the increasing demand for power and the extension of long-distance electrical transmission.

It is, in my opinion, relatively unimportant for us to know whether or not the promoters of this particular project are affiliated with any of these great corporations. If we make an unconditional grant to this grantee, our control over it ceases. He, or any purchaser from him, will be free to sell his rights to any one of them at pleasure. The time to attach conditions and prevent monopoly is when a grant is made.

The great corporations are acting with foresight, singleness of purpose, and vigor to control the water powers of the country. They pay no attention to state boundaries and are not interested in the constitutional law affecting navigable streams except as it affords what has been aptly called a "twilight zone," where they may find a convenient refuge from any regulation whatever by the public, whether through the national or the state governments. It is significant that they are opposing the control of water power on the Desplaines River by the State of Illinois with equal vigor and with like arguments to those with which they oppose the National Government pursuing the policy I advocate. Their attitude is the same with reference to their projects upon the mountain streams of the West, where the jurisdiction of the Federal Government as the owner of the public lands and national forests is not open to question. They are demanding legislation for unconditional grants in perpetuity of land for reservoirs, conduits, power houses, and transmission lines to replace the existing statute which authorizes the administrative officers of the Government to impose conditions to protect the public when any permit is issued. Several bills for that purpose are now pending in both Houses, among them the bill, S. 6626, to subject lands owned or held by the United States to condemnation in the state courts, and the bills, H. R. 11356 and S. 2661, respectively, to grant locations and rights of way for electric and other power purposes through the public lands and reservations of the United States. These bills were either drafted by representatives of the power companies, or are similar in effect to those thus drafted. On the other hand, the administration proposes that authority be given to issue power permits for a term not to exceed fifty years, irrevocable except for breach of condition. This provision to prevent revocation would remove the only valid ground of objection to the act of 1901, which expressly makes all permits revocable at discretion. The following amendment to authorize this in national forests was inserted in last year's agricultural appropriation bill:

> And hereafter permits for power plants within national forests may be made irrevocable, except for breach of condition, for such term, not exceeding fifty years, as the Secretary of Agriculture may by regulation prescribe, and land covered by such permits issued in pursuance of an application filed before entry, location or application, subsequently approved under the act of June 11, 1906, shall in perpetuity remain subject to such permit and renewals thereof.

The representatives of the power companies present in Washington during the last session agreed upon the bill above mentioned as the most favorable to their interests. At their request frequent conferences were held between them and the representatives of the administration for the purpose of reaching an agreement if possible. The companies refused to accept anything less than a grant in perpetuity and insisted that the slight charge now imposed by the Forest Service was oppressive. But they made no response to the specific proposal that the reasonableness of the charge be determined through an investigation of their business by the Bureau of Corporations.

The amendment of the agricultural bill providing for irrevocable permits being new legislation was stricken out under the House rules upon a point of order made by friends of the House bill—that is, by friends of the power companies. Yet, in the face of this record, the power companies complain that they are forced to accept revocable permits by the policy of the administration.

The new legislation sought in their own interest by some companies in the West, and the opposition of other companies in the East to proposed legislation in the public interest, have a common source and a common purpose. Their source is the rapidly growing water-power combination. Their purpose is a centralized monopoly of hydro-electric power development free of all public control. It is obvious that a monopoly of power in any community calls for strict public supervision and regulation.

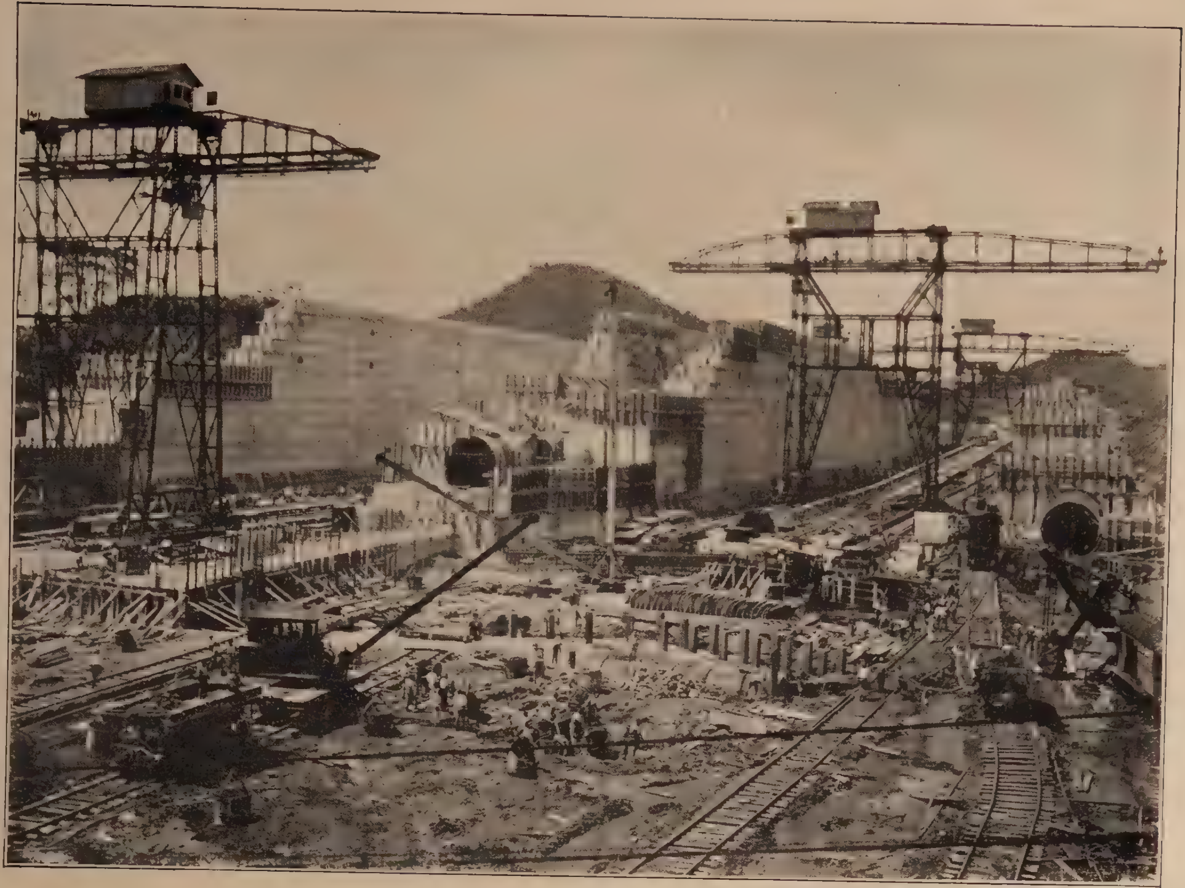
The suggestion of the Senate Committee on Commerce in their report on the present bill that many of the streams for the damming of which a federal license is sought are, in fact, unnavigable is sufficiently answered in this case by the action of the House Committee on Interstate and Foreign Commerce upon this very measure. As stated in the House on March 18, 1908, by Mr. Russell, of Missouri, a bill to declare this river unnavigable was rejected by that committee.

I repeat the words with which I concluded my message vetoing the Rainy River bill:

> In place of the present haphazard policy of permanently alienating valuable public property we should substitute a definite policy along the following lines:
>
> First. There should be a limited or carefully guarded grant in the nature of an option or opportunity afforded within reasonable time for development of plans and for execution of the project.
>
> Second. Such a grant or concession should be accompanied in the act making the grant by a provision expressly making it the duty of a designated official to annul the grant if the work is not begun or plans are not carried out in accordance with the authority granted.
>
> Third. It should also be the duty of some designated official to see to it that in approving the plans the maximum development of the navigation and power is assured, or at least that in making the plans these may not be so developed as ultimately to interfere with the better utilization of the water or complete development of the power.
>
> Fourth. There should be a license fee or charge which, though small or nominal at the outset, can in the future be adjusted so as to secure a control in the interest of the public.
>
> Fifth. Provision should be made for the termination of the grant or privilege at a definite time, leaving to future generations the power or authority to renew or extend the concessions in accordance with the conditions which may prevail at that time.

Further reflection suggests a sixth condition, viz:

The license should be forfeited upon proof that the licensee has joined in any conspiracy or unlawful combination in restraint



PANAMA CANAL: PEDRO MIGUEL LOCKS, NOVEMBER, 1910

THE PANAMA CANAL

The commencement of the task of constructing the Panama Canal was the most important event of Roosevelt's Administration. The history of the undertaking is written by Roosevelt himself on pages 6662, 6758, 6881, 6901, 7401, 7480, 7611, 7648, 7667, 7685 and 7728. The message commencing on page 7685 describes his visit of inspection to the canal zone. President Taft continued the narrative, pages 7750, 7754, 7803, 7863 and 7898. The reader who desires a brief recital of the facts should refer to the article entitled "Panama Canal" in the encyclopedic index (volume eleven). The index references following this article will enable the reader to glean a complete and authentic knowledge of the subject from the messages of the Presidents, from Jackson to Taft, who have discussed the project.

of trade, as is provided for grants of coal lands in Alaska by the act of May 28, 1908.

I will sign no bill granting a privilege of this character which does not contain the substance of these conditions. I consider myself bound, as far as exercise of my executive power will allow, to do for the people, in prevention of monopoly of their resources, what I believe they would do for themselves if they were in a position to act. Accordingly I shall insist upon the conditions mentioned above not only in acts which I sign, but also in passing upon plans for use of water power presented to the executive departments for action. The imposition of conditions has received the sanction of Congress in the general act of 1906, regulating the construction of dams in navigable waters, which authorizes the imposing of "such conditions and stipulations as the Chief of Engineers and the Secretary of War may deem necessary to protect the present and future interests of the United States."

I inclose a letter from the Commissioner of Corporations, setting forth the results of his investigations and the evidence of the far-reaching plans and operations of the General Electric Company, the Westinghouse Electric and Manufacturing Company, and other large concerns, for consolidation of the water powers of the country under their control. I also inclose the memorandum of the Solicitor-General above referred to.

I esteem it my duty to use every endeavor to prevent this growing monopoly, the most threatening which has ever appeared, from being fastened upon the people of this nation.

THEODORE ROOSEVELT.

THE WHITE HOUSE, *January 15, 1909.*

DEPARTMENT OF COMMERCE AND LABOR,
BUREAU OF CORPORATIONS,
Washington, January 14, 1909.

SIR: I have the honor to submit herewith a report on certain features of the concentration of water powers.

The water-power situation has been greatly changed by recent improvements in electric-power transmission. Two-hundred-mile transmission is now regarded as commercially possible even in the cheaper coal areas. A two-hundred-mile radius opens an area of 120,000 square miles for the marketing of power from a given power plant.

A strong movement toward concentrating the control of water powers has accompanied this change. A very significant fact is that this concentration has taken place practically in the last five years. The chief existing concentrations are as follows:

(1) *General Electric*—being those power companies controlled by or affiliated with the General Electric Company or its subsidiary corporations.

(2) *Westinghouse*—being those similarly connected with the Westinghouse Electric and Manufacturing Company.

(3) *Other concentrations* of water power which can not at present be identified with either of the first two.

Inter-company relations are easily concealed. Strictly judicial proof of such community of interests is rarely obtainable, nor is it necessary for practical purposes. It is sufficient to give, as herein, the significant evidential facts, leaving the obvious deductions to be made therefrom.

Therefore the General Electric and the Westinghouse concentrations are classified in the following groups:

(*a*) Those where a control by one or the other of these parent companies, directly or through subsidiary corporations, is admitted.

(*b*) Those where such control is inferred from substantial evidence (herinafter summarized) with reasonable conclusiveness.

(*c*) Those where such control is at least partially indicated, though not proven, by the available evidence.

This report does not by any means assume to be a complete survey even of the present conditions of concentration. There may be many further affiliations as yet undiscovered.

The exact relations, if any, between these two groups (General Electric and Westinghouse) can not now be stated. General Electric and Westinghouse patents have been pooled since 1896, and certain individuals are interested in both General Electric and Westinghouse power companies.

(1) GENERAL ELECTRIC.

The control of the General Electric Company is shown directly or through subsidiary corporations, or indicated by the appearance of the names of certain individuals unquestionably connected with the General Electric Company.

Such subsidiary corporations are:

United Electric Securities Company (Maine, 1890).
Electrical Securities Corporation (New York, 1904).
Electric Bond and Share Company (New York, 1905).

Such individuals most closely connected with General Electric Company water-power control are—

Sydney Z. Mitchell, vice-president and treasurer Electric Bond and Share Company (General Electric; see above), formerly with Stone & Webster, of Boston, to be mentioned later.

J. D. Mortimer, assistant secretary Electric Bond and Share Company (General Electric; see above) and director of American Gas and Electric Company.

C. N. Mason, vice-president Electrical Securities Corporation and of United Electric Securities Company (General Electric; see above).

H. L. Doherty, president American Gas and Electric Company, which in 1908 controlled at least 19 lighting and gas companies in various parts of the United States, and is, in turn, controlled by the Electric Bond and Share Company (General Electric; see above).

Other names which may be mentioned are—

C. A. Coffin, president General Electric Company.

A. W. Burchard, assistant to the president, General Electric Company, and director of American Gas and Electric Company (General Electric).

C. W. Wetmore, director of Electric Bond and Share Company.

Hinsdill Parsons, vice-president General Electric Company and director of Electric Bond and Share Company.

(*a*) Those water-power companies which are admittedly controlled by the General Electric Company or its subsidiary companies are—

Schenectady Power Company, New York developments on the Hoosick River at Schaghticoke and Johnsonville, with a total development of 26.000 horsepower. This company is owned outright by the General Electric Company.

Carolina Power and Light Company, at Raleigh, N. C., with 4,000 horsepower installed on the Cape Fear River, and leasing power, in addition, on the Neuse River. The stock of this company is held by the Electric Bond and Share Company (General Electric) and voted by Mr. J. D. Mortimer. C. Elmer Smith, of Smith interests in Westinghouse group, is also interested.

Rockingham Power Company, in North Carolina, on the Yadkin River, in process of construction, with an installation to be of 32,000 horsepower. This company is financed by the Electrical Securities Corporation (General Electric), C. N. Mason of the latter being president. C. Elmer Smith (see above) is also interested.

Animas Power and Water Company, Colorado, on the Animas River, with 8.000 horsepower installed, is controlled through the Electric Bond and Share Company (General Electric).

Central Colorado Power Company, in Colorado, on the Grand River, with an installation to be of 18,000 horsepower, is also controlled through the Electric Bond and Share Company (General Electric).

(*b*) Those water-power companies, the control of which by the General Electric Company or its subsidiary companies is reasonably inferred, are—

Montgomery Light and Water Power Company, near Montgomery, Ala., on the Tallapoosa River, with an installation of 6,000 horsepower. H. L. Doherty, president American Gas and Electric Company (General Electric), is first vice-president of this company.

The Summit County Power Company, at Dillon, Colo., with an installation of 1,600 horsepower, has Mr. H. L. Doherty, of American Gas and Electric Company (General Electric), on its directorate.

Butte Electric and Power Company (Montana), a holding company for various subsidiary power companies, to wit: Montana Power Transmission Company, Madison River Power Company, Billings and Eastern Montana Power Company. These companies comprise six water-power developments in operation, with a total installation of 43,000 horsepower. The holding company (Butte Electric) is apparently controlled jointly by C. W. Wetmore, of Electric Bond and Share Company (General Electric), and C. A. Coffin, president of General Electric Company. P. E. Bisland, secretary, was formerly with Electrical Securities Corporation (General Electric).

Washington Water Power Company has three developments in Washington and Idaho, on the Spokane River, with a total installation of 61,000 horsepower. Mr. Hinsdill Parsons, vice-president of General Electric Company and Electric Bond and Share Company (General Electric), is on the directorate.

Great Western Power Company, in California, on the north fork of the Feather River in Butte County, with an installed capacity of 53,000 horsepower. On its directorate are Mr. A. W. Burchard, of the General Electric Company, and Mr. A. C. Bedford, of the Standard Oil Company.

(*c*) Control partially indicated.

There are also a number of other water-power companies, with a total of about 420,000 horsepower (including installations and power sites), whose connection with the General Electric Company is at least partially indicated, though the evidence thereto is by no means conclusive.

(2) WESTINGHOUSE.

The Westinghouse group contains the following companies:

The Security Investment Company;

Electric Properties Company (New York, 1906), successor to Westinghouse, Church, Kerr & Co.; and the

Smith interests, represented by C. Elmer Smith and S. Fahs Smith, of S. Morgan Smith Company, important manufacturers of water turbines. While C. Elmer Smith is interested in at least two General Electric power companies (Carolina and Rockingham; see above), the Smith interests seem especially harmonious with the Westinghouse group, and are so classified.

The individual names most prominently identified are:

John F. Wallace, of New York, president Electric Properties Company.

George C. Smith, of Pittsburg and New York, vice-president and director of the Electric Properties Company.

C. Elmer Smith, of Smith interests.

(*a*) Those power companies which are admittedly Westinghouse are:

Atlanta Water and Electric Power Company, on the Chattahoochee River above Atlanta, Ga., with an installation of 17,000 horsepower. C. Elmer Smith is president and George C. Smith and S. Fahs Smith directors.

Ontario Power Company of Niagara Falls, a Canadian corporation on the Canadian side, with an installation of 66,000 horsepower. Together with its distributing company in the United States, the Niagara, Lockport, and Ontario Power Company, it is known as a Westinghouse concern, H. H. Westinghouse being president of the latter, and the majority of its stock being voted by the Electric Power Securities Company of New York, a construction company owned by Westinghouse interests.

(*b*) Those power companies whose connection with Westinghouse interests is inferred from substantial evidence (hereinafter summarized) are:

Albany Power and Manufacturing Company, near Albany, Ga., with 3,500 horsepower installed, on the Kinchatoonee, and owning besides a site on the Flint River, estimated at 10,000 horsepower, has for its vice-president C. Elmer Smith (Smith interests).

Electric Manufacturing and Power Company, on the Broad River, near Spartanburg, S. C., with 11,500 horsepower installed, has on its directorate E. H. Jennings, of Pittsburg, a director of the Electric Properties Company (Westinghouse).

Savannah River Power Company, on the Savannah River, near Anderson, S. C., has an installed development of 3,000 horsepower, and owns besides a site of 6,000 horsepower. This company has on its directorate C. Elmer Smith (Smith interests).

Gainesville Electric Railway Company, with 1,500 horsepower installed, on the Chestagee River, a tributary of the Chattahoochee, near Gainesville, Ga. Eighty-five per cent of its stock is owned by the North Georgia Electric Company (Smith interests).

North Georgia Electric Company; one development of 3,000 horsepower and at least seven other power sites on the upper waters of the Chattahoochee, and through the Etowah Power Company, personally identified with itself, it owns four other sites on the headwaters of the Coosa River. C. Elmer Smith is vice-president.

Chattanooga and Tennessee River Power Company, in process of construction at Hale Bar on the Tennessee River, below Chattanooga, in cooperation with the War Department, by which the Government obtains slack-water navigation. The company in return receives ownership of the power of 58,000 horsepower to be installed. This company is being personally financed by A. N. Brady, of New York, a director of the Westinghouse Electric and Manufacturing Company.

Mr. Brady is also a director of the American Tobacco Company, whose interests control the Southern Power Company (see below).

Northern Colorado Power Company, which has a steam development at Lafayette, Colo., and is projecting power plants on the Platte, has John F. Wallace and George C. Smith on its directorate (Westinghouse).

(*c*) Control partially indicated.

There are also a number of other water-power companies, with a total of about 102,000 horsepower (including installations and sites). whose connection with the Westinghouse Company is at least partially indicated, though the evidence thereto is by no means conclusive.

(3) OTHER CONCENTRATIONS.

The General Electric and Westinghouse companies present the most important examples of water-power concentration, as above set forth. There are, however, a number of other companies and interests further showing the facts and tendencies of concentration.

The more important instances are as follows:

The Gould interests, located in Virginia, with undeveloped powers and power sites on the James and Appomattox amounting to 20,000 horsepower, and owning besides other sites on the Appomattox and Rappahannock rivers.

Southern Power Company, the largest operating power company in the South, has 90,000 horsepower installed in three developments, 31,000 horsepower in process of construction, and at least seven other power sites in North Carolina and South Carolina, with a total potential capacity of 75,000 horsepower. This company supplies 110 cotton mills and other factories in at least 28 towns, including a population of about 200,000. Messrs. B. N. Duke, J. B. Duke, and Junius Parker, of the American Tobacco Company, are officers and directors.

Stone & Webster, of Boston. This concern owns and controls powers and sites in Florida, Georgia, Minnesota, and Wisconsin, and in the Puget Sound region, with a total capacity of about 150,000 horsepower. Mr. Sydney Z. Mitchell, now of the Electric Bond and Share Company (General Electric), was formerly connected with Stone & Webster, and in 1908, according to Moody's Manual, 1908, was still a director in three of Stone & Webster's subsidiary corporations, to wit, Puget Sound Electric Railway, Tacoma Railway and Power Company, and Puget Sound Power Company.

Charles H. Baker interests; having proposed developments in Alabama estimated at 130,000 horsepower.

Commonwealth Power Company, together with the Grand Rapids-Muskegon Power Company (both under same interests), controlling

13 developed water powers in Michigan, with a total installation of 43,000 horsepower. A harmonious connection apparently exists with the Eastern Michigan Power Company, which controls all the power sites on the Au Sable River, Michigan.

United Missouri River Power Company, a holding company controlling at least three subsidiaries, which, with a closely related company, have five developed powers and one in construction, making a total of 57,500 horsepower.

Portland General Electric Company, with developments on the Clackamas and Willamette rivers amounting to 22,500 horsepower, near Portland, Ore. A. C. Bedford, a director of the Standard Oil Company, is president, and F. D. Pratt, also of the Standard Oil Company, is a director.

Pacific Gas and Electric Company. This is a very important holding company of the California Gas and Electric Corporation and the San Francisco Gas and Electric Company. These two latter companies in turn represent the consolidation or acquisition of the stock or property of over thisty power or power-distributing companies in California. They control 11 water-power developments, with a total installed plant of 118,000 horsepower.

Pacific Light and Power Company, with another company controlled by the same interests, known as the Huntington interests, represent eight developments in California, with a total of 30,000 horsepower. Henry E. Huntington is vice-president and Howard E. Huntington a director.

Edison Electric Company, with six developments in California and a total of 33,000 horsepower.

Hudson River Electric Power Company, a holding company for the Hudson River Water Power Company, Hudson River Power Transmission Company, Empire State Power Company, with developments at Spiers Falls and Mechanicsville on the upper Hudson, and Schoharie Creek near Amsterdam, N. Y., amounting to 45,000 horsepower installed, and sites owned in the Mohawk, Sacandaga, and Upper Hudson valleys, amounting to 30,000 horsepower, or a total of 75,000 horsepower. C. Elmer Smith was director of the holding company to within a year.

SUMMARY.

An estimate of the water power, developed and potential, now controlled by the General Electric interests, admitted or sufficiently proven, is about 252,000 horsepower; by the Westinghouse interests, similarly known, about 180,000 horsepower, and by other large power companies, 875,000 horsepower. This makes a total of 1,307,000 horsepower. Adding the horsepowers of the third class (*c*), those whose connection with these two great interests is at least probable, to wit, 520,000 horsepower, we have a small group of 13 selected companies or interests controlling a total of 1,827,000 horsepower.

Assuming that the water power at present in use by water-power plants in the United States is 5,300,000 horsepower, as estimated by the United States Census and Geological Survey from figures of installation, it is seen that approximately a quantity of horsepower equal to more than 33 per cent of that amount is now probably controlled by this small group of interests. Furthermore, this percentage by no means tells the whole truth. The foregoing powers naturally represent a majority of the best power sites. These sites are strategic points for large power and market control. Poorer sites will not generally be developed until these strategic sites are developed to their full capacity. And should these strategic sites be "coupled up" they become still more strategic. There are powerful economic reasons for such coupling. The great problem of water-power companies is that of the "uneven load," and not only of an uneven load but of an uneven source of power, because of the fluctuating flow of the stream. A coupling-up utilizes not only the different storages in the same drainage basin, but, of still greater import, the different drainage flows of different basins. Also, by coupling-up, powers which have largely "day loads" can at night help out other powers which have largely "night loads," and vice versa. Coupling-up is rapidly in progress in the United States. The Niagara Falls Power Company and the Canadian Niagara Power Company are coupled. The Southern Power Company, in North Carolina and South Carolina; the Commonwealth Power Company, in Michigan; the Pacific Gas and Electric Company, the Pacific Light and Power Company, and the Edison Electric Company, in California—each concern has its various developments coupled-up into one unit.

The economic reasons urging water-power concentration are thus obvious. The facts set forth above show the very rapid and very recent concentration that has already occurred, practically all in the last five years. These economic reasons and business facts indicate clearly the further progress toward concentration that is likely to occur in the near future. It is obvious that the effect on the public of such present and future conditions is a matter for serious public consideration.

Very respectfully yours,

HERBERT KNOX SMITH,

Commissioner of Corporations.

THE PRESIDENT.

[Memorandum by the Solicitor-General on the power of Congress, in granting licenses for dams and other structures in navigable streams, to impose certain conditions.]

MAY 11, 1908.

The general principle that a grant of property or of any right or privilege may be upon conditions needs no citation of authority. If a grantor may give or withhold, he may give upon terms. The authority to make a grant generally carries with it the authority to withhold, to impose conditions, to modify, and to terminate.

The Pacific Railroad charters contained the condition that the government service in transporting mails, troops, supplies, etc., should have the preference, and in some cases in consideration of the land grants the transportation was to be free from all toll or other charge upon any property or troops of the United States. (Sec. 6, act of July 1, 1862, 12 Stat., 489, 493, Union Pacific; sec. 3, act of March 3, 1863, id., 772, 773, Missouri Pacific; see also act of July 1, 1864, 13 Stat., 339; sec. 11, act of July 2, 1864, id., 365, 370, Northern Pacific, in which Congress reserved the right to restrict charges for government transportation; sec. 11, act of July 27, 1866, 14 Stat., 292, 297.) In the acts to aid in the construction of telegraph lines "to secure to the Government the use of the same for postal, military, and other purposes," it was provided that the government business shall have priority over all other business, and shall be sent at rates to be annually fixed by the Postmaster-General (e. g., sec. 2, act of July 24, 1866, 14 Stat., 221).

These charters, licenses, and grants were made under the federal authority over interstate commerce and over post-roads, and manifestly the reservations or conditions were germane to the grants and for the benefit of the whole people, being for the benefit of their government. In reference to the proposal in connection with the control of the Government over navigation and the improvement of inland waterways to limit permissive licenses for dams and other structures to a definite time, and to impose a charge for the power developed or for any use of the surplus water, it is objected that this is to usurp power or to pervert and misapply federal power to an end or object to which it has no relation.

There is no doubt of the national power over navigation, and the inquiry presupposes governmental control as proposed and the grant of licenses only in navigable streams. The question is wholly one of power. No one questions the power of Congress over navigation and navigable waters as a branch of its power to regulate interstate and foreign commerce, and the power fails here, it is said, because of the lack of connection between navigation and the purpose for which the power is to be used, because to impose terms for the use of water made possible by structures in aid of navigation or structures permitted and licensed as not seriously interfering with navigation, by limiting the time during which that privilege or right shall be enjoyed and by imposing a charge for it, is not germane to the only branch of power which Congress may constitutionally exercise here; that is, the power over navigation. It is said that the State and not the United States controls and administers the rights which riparian owners may possess in the water or the use of the water; that riparian owners do possess rights of property which may not be taken from them under the guise of a power to regulate navigation; and that the States and not the United States are clothed as matter of sovereignty and dominion with the power over and the property in the waters themselves and the beds of the streams.

But first and in general, whatever the rights of the individual riparian or the particular State, which we will examine later, there is no doubt whatever that the federal authority over navigation is paramount to everything within its sphere, and the only question here would be the truth as a fact of the federal exercise of power, whether it was actually the authority over navigation which is being exercised, and whether the proposed law or laws which carry that authority into effect are a legitimate means of exercising the power, and whether there is a genuine and legitimate relation between the power and the objects and purposes to which it is applied.

The question is, then, as to the reality and degree of connection between the power and the method and effect of its exercise. In the recent measures proposed for acquiring lands in the Southern Appalachian and White mountains for national forest purposes the test is that the land shall be situated on the watersheds of navigable streams and shall be more valuable for the regulation of stream flow than for other purposes. The House committee reports show, amid divergent views as to whether the particular thing proposed was in fact a legitimate exercise of the power, that all agreed Congress, having an unquestioned right to improve navigable streams, may take land for that purpose whenever in the judgment of Congress it is necessary to the proper exercise of the power. Thus the committee resolved that the Federal Government has no power to acquire lands within a State solely for forest reserves, but under its constitutional power over navigation may appropriate for the purchase of lands for forest reserves in a State, provided it clearly appears that such reserves have a direct and substantial connection with the conservation and improvement of the navigability of a river actually navigable in whole or in part; and that any appropriation made therefor is limited to that purpose (Mr. Jenkins). Mr. Parker did not concur, thinking the question at least doubtful, and that the United States has no interest in rivers except for purposes of navigation, and "it may fairly be said that the rivers of the Atlantic slope are not navigable above tidal flow."

Messrs. Littlefield, Diekema, and Bannon have no doubt of the power, and think that if reforesting the watershed at its source is an appropriate means plainly adapted to that end of preventing the depositing in the river of accumulations that would obstruct its navigable portion, Congress has the right to acquire and control for that purpose. But the improvement of navigability in this way by increasing the flow of the water must not be theoretical, but physical, tangible, actual, and substantial, demonstrable by satisfactory, competent testimony in order to justify an appropriation. And the protection and improvement of navigability must also be the real, effective, sole, and not the incidental, purpose of the appropriation.

Mr. Brantley holds that Congress has the constitutional power to acquire lands and forest reserves in a State by purchase, condemnation, or otherwise, as an aid to navigation, if it be made to appear to Congress that such reserves would materially or substantially aid navigation.

It is thus evident from all these views that there is no doubt of the power, and that the only real question is whether navigability is substantially aided, or whether the proposed exercise of the power is too remote and fanciful to commend itself to the judgment of Congress as an appropriate means.

It is to be said respecting structures in navigable streams that the legislation of Congress has passed through an evolution up to the point now reached and the proposals now made. The Government has built many public works in aid of navigation where the improvement and protection were obvious by dams, locks, and canals, an example of which is the canalization of the St. Marys River on the connecting waters of the Great Lakes just as they issue from Lake Superior and on the international boundary between this country and Canada. Another feature of this evolution may be noted here in that region. The United States granted an easement for a right of way through public reserved lands of the United States to the State of Michigan for purposes of this canal, and then the state administration was surrendered and all rights reconveyed to the United States so that locks and other works in aid of navigation there might be undertaken commensurate with the power and interests of the nation and adequate for the enormous traffic passing that point and still increasing by leaps and bounds.

Sometimes Congress commits to municipalities or corporations or private individuals the construction and operation of works in aid of navigation where actual and practical navigation already exists and is being improved, as by the act of April 26, 1904 (33 Stat., 309); and at points along such reaches of the stream where, except for the government canals and other works in aid of navigation, the river itself is not actually navigable (e. g., act of May 9, 1906, 34 Stat., 183; id., 211, 1288; act of March 6, 1906, 34 Stat., 52; extract from river and harbor act of March 2, 1907, 34 Stat., 1073, 1094); or permits structures for power development at points in rivers where government plans of navigation improvement by locks, dams, and canals have already been adopted and the work begun, as at Muscle Shoals on the Tennessee River, or on the Coosa River in Alabama; or gives the right to build a dam, maintain and operate power stations in connection with it in consideration of the construction of locks, and a dry dock in place of existing ones owned and operated by the United States, namely, Des Moines Rapids Canal, act of February 9, 1905 (33 Stat., 712); or the particular structure is also subjected to the provisions of the general dam act of June 21, 1906, hereafter to be referred to (act of February 25, 1907, 34 Stat., 929; act of April 23, 1906, id., 130; act of March 3, 1905, 33 Stat., 1004).

It is difficult to see any difference in principle between such a case granting the right to develop and use power in consideration of improving navigation facilities and the imposition of any other reasonable amount or kind of charge. Of course, an illegal power can not be justified because it has already been illegally exercised; but the actual exercise of the power and the development of the matter under the acts of Congress are instructive and significant.

In the numerous cases where permissive licenses have been given to build dams or other structures in navigable streams at points where they are not at present actually navigable or practically used for purposes of navigation there is no question, first, that the stream being navigable as an integral thing or unit, the control over it as such belongs to Congress and not to the State. The action of Congress is an exclusion of any state authority which might otherwise exist, and the theory appears to be that although the structure may be an interference with the existing navigability, such as it is, it is, in the opinion of Congress, a reasonable interference. Congress by the very fact of its interposition and grant of license is looking to navigable character alone and to the future improvement or protection of navigation, and accordingly invariably Congress either imposes the necessity of making a proper lock or dam in all such cases, and sluices, or reserves the right to compel the construction in the future of a suitable lock for navigation purposes in connection therewith, subjects all plans to the approval of the Secretary of War, reserves the right at any time to take possession of the dam without compensation and control the same for purposes of navigation, and imposes the duty of building in connection with the dam or canal or other works a wagon and foot bridge if desired in connection therewith for the purpose of travel; and the right to alter, amend, and repeal the grant or to require the alteration or removal of the structure is also reserved (act of June 4, 1906, 34 Stat., 265; act of June 16, 1906, id., 296).

Not all these conditions appear in every such grant or license, but they all do appear from time to time in different acts, and it is clear that whether Congress is itself actually improving and protecting navigation or authorizing some other agency or instrumentality to do so in its behalf, or permitting a reasonable obstruction in the particular stream and place when the interests of navigation do not forbid, Congress is proceeding altogether under that power, expressly reserves full control in that behalf, and either provides for locks and canals in the particular construction authorized as part of the authority to build, or else reserves the right to do so whenever the interests of navigation demand. There are many instances of such acts. I cite a few: Act of July 3, 1886 (24 Stat., 123); act of February 27, 1899 (30 Stat., 904); act of June 14, 1906 (34 Stat., 266).

These other points are to be observed in this development of the law: The present and future interests of the United States are provided for (sec. 1, act of June 21, 1906, 34 Stat., 386); uniformly there is a stipulation that the United States shall be entitled to free use of the water power developed (id., and many other acts); a general limit of time for construction is imposed (id.); it is a standing provision and reservation that the construction authorized shall not interfere with navigation; the licensee shall be liable to riparians for damages caused by overflow, etc.; the dam and works authorized shall be limited to the use of the surplus water not required for navigation (act of May 9, 1906, 34 Stat., 183); Congress may revoke, and there are provisions for forfeiture for breach of conditions. Such provisions and conditions, as I have said, appear throughout all these statutes.

Note also the special provisions in the river and harbor act of June 13, 1902 (32 Stat., 358), and in the act of June 28, 1902 (id., 408), by which leases or licenses for the use of water power in the Cumberland River, Tennessee, may be granted by the Secretary of War to the highest responsible bidders, after advertisement, limited to the use of the surplus water not required for navigation and under the condition that no structures shall be built and no operations conducted which shall injure navigation in any manner or interfere with the operations of the Government or impair the usefulness of any government improvement for the benefit of navigation.

In some cases these acts provide not only for sluiceways for logs, etc., but for sluiceways and ladders for fish. It might be as reasonably objected that the United States could make no such condition in connection with its licenses for the preservation of fish in the interest of all the people, because that was solely a matter of state control and largely a matter of riparian right, as to say that it could not impose conditions and charges respecting the power developed by the surplus water.

Occasionally the title of the act recognizes the joint purpose or the collateral and subsidiary incident of power. Thus, an act of May 1, 1906 (34 Stat., 155), relative to the Rock River license, is entitled "An act permitting the building of dams, etc., in aid of navigation and for the development of water power."

In an act of June 29, 1906 (34 Stat., 628), permitting the erection of a lock and dam in aid of navigation in the White River, Arkansas, it is provided that the licensee shall purchase and pay for certain lands necessary for the successful construction and operation of the lock and dam and leave them to the United States, and that, in consideration of the construction of these structures free of cost to the United States, the United States grants to the licensee the rights possessed by it to use the water power produced by the dam and to convert the same into electric power or otherwise utilize it for a period of ninety-nine years, but to furnish to the United States, free of cost, sufficient power to operate the locks and to light the United States buildings and grounds.

Another instance of authority granted to the Secretary of War to make leases or issue licenses for the use of water power is shown by the river and harbor act of September 19, 1890, respecting the Green and Barren rivers.

Without dwelling further on this subject, it is plain that considering this whole body of laws, the United States is legitimately exercising the power over interstate commerce under the heading of the improvement and protection of navigation, and is imposing proper--that is, not only just, but legal—terms, conditions, and reservations, and as a question of power this is as clearly true when the United States licenses a structure which is a temporary and partial obstruction to navigation at some point where the Government is not yet ready to complete and unify the navigable use of the stream, as where the Government is itself developing an actual plant for the improvement of navigation by constructing the appropriate works. And the connection between the power and its application is as evident and germane even when water power is developed and a charge made for it, because, while that or some other use of the water outside navigation use is the primary or the sole object of the licensee and the navigation use is only incidental to that use, so far as the licensee is concerned, that other use from the standpoint of the Government and the people at large is always and only incidental to the improvement and protection of navigation and that use. This is true as a real fact and principle controlling the subject, even if the ultimate improvement of navigation—the actual navigation use, that is—is remote in time and as a practical undertaking, and is contemplated, so to speak, far ahead.

State law, it is true, in general determines the title of riparian owners in the beds of both navigable and nonnavigable streams, and their rights of user in the flowing water. This riparian property and right, which, respecting title to the beds of nonnavigable streams as extending ad filum aquae, is pretty uniform throughout the States, varies as to navigable streams according as States have followed the common-law rule of stopping the private title at the shore, or having followed the rule on unnavigable waters and extended it to the middle thread of the stream. Regarding the rights of the riparian in the water, the rules vary from the common-law doctrine in the humid States that the upland owner is entitled to the flow of the water as it was accustomed to flow to the doctrine of prior appropriation for beneficial use in the arid States, including the combination of the two doctrines known as the California rule. But always and everywhere the use must be reasonable, and there is an order of preference in the uses beginning with domestic use. Even on public navigable rivers the riparian owner has many rights of user subject to the limitation that his use must be reasonable, so as not to injure the rights of others above or below him on the stream, and subject to the public easement of navigation, and generally to the public right of fishing. The riparian owner has, for instance, the right of access, but when the paramount control over navigation interferes this is a barren right and he is not entitled to compensation; and it seems that even in States where he has the title to the submerged lands out to the middle of the stream the title is a bare, technical title not available for access or any other purpose, or at least not entitling him to compensation if the United States, for any lawful purpose, should appropriate and occupy the subaqueous lands. (Scranton *v.* Wheeler, 179 U. S., 141.)

So much for the private and individual interest of the riparian owner; and it is to be observed respecting the pending proposals that such rights are always capable of being asserted in a court of law; that presumably the Government or the government licensee will have acquired the necessary riparian ownership, and that provision is expressly made in all statutes of this character for compensation by the licensee to the riparian or others for all damages caused.

Now, as to the state interest, there is no doubt that a State may undertake the improvement of a navigable stream within her borders, or license structures over it or in it, until the United States under legislation by Congress assumes jurisdiction. In this matter and in similar instances the Supreme Court has held that there is a concurrent function and power, and that nonaction by Congress amounts to permission to the State to occupy the field. (Willson et al. *v.* The Black Bird Creek Marsh Co., 2 Pet., 245, 252-253; The Passaic Bridges, 3 Wall., 793; Pound *v.* Turck, 95 U. S., 463; Escanaba Co. *v.* Chicago, 107 U. S., 683; Morgan *v.* Louisiana, 118 U. S., 465; New York, etc., R. R. Co. *v.* New York, 165 U. S., 631; United States *v.* Rio Grande Irrigation Co., 174 U. S., 690, 703.) But of course it can not be admitted that a State has any jurisdiction or control whatsoever after Congress has determined that the stream is navigable (whether it is explicitly so denominated or not) and proceeds to improve or protect the navigation or navigable capacity. Then the federal jurisdiction becomes plenary, paramount, and exclusive. The very fact that Congress has legislated as it has done respecting the various streams and waters embraced in the legislation above reviewed is conclusive proof that the national jurisdiction has completely ousted state jurisdiction over those waters and at those points. This seems to be the view of the States themselves and on all hands, and I do not understand that this position is disputed even by those who claim that for purposes of power and all other incidental uses of the water other than for navigation the state authority is supreme and exclusive.

It is a mistake to suppose that the federal jurisdiction and the navigability are doubtful because the stream may not be navigable now at the particular point. It is to make it navigable at some time, even if a remote future is contemplated, and slow progress toward a comprehensive and unifying plan—it is to improve navigation, to increase navigable capacity, and in the meantime to protect navigation that the national power interposes. In many senses a navigable stream is a unit. It is none the less a navigable stream because there is an obstruction at a particular point (The Montello, 20 Wall., 430), being navigable above or below or both. And while the test of navigability at any particular point is whether the stream is navigable in fact, the upper reaches of a stream and the preservation and maintenance of flow at the sources, although the stream is not navigable there, are clearly within the scope of the power as directed to the continuing protection as well as the immediate improvement of navigation. The case of United States *v.* Rio Grande Irrigation Co. (174 U. S., 690), by the necessary effect of the final order at page 710, sustains the contention that the United States may interpose to control or prevent the irrigation or other use of water above the limit of navigability, if it shall appear as a fact that such use impairs the navigable capacity over that portion of the stream where navigation does exist.

The preliminary report of the Inland Waterways Commission with the President's message transmitting it to Congress, and the bill introduced in the Senate by Mr. Newlands (S. 500), with the report and recommendations of the Secretary of War upon the same, are very instructive and significant in this matter. The bill reflects and embodies the main ideas and recommendations of the report and will alone serve the purposes of our consideration after one or two references to the report. The report and the President's message point out that a river system from the forest headwaters to the mouth is a unit and that navigation of the lower reaches can not be fully developed without the control of floods and low waters by storage and drainage; that navigable channels are directly concerned with the protection of source waters and with soil erosion which forms bars and shoals from the richest portions of farms; and that the uses of a stream for domestic and municipal supply, for power and often for irrigation, must be taken into account. The development of waterways and the conservation of forests are pressing needs and are interdependent. The systematic development of interstate commerce by improvement of inland waterways should proceed in coordination with all other uses of the waters and benefit to be derived from them, which constitute a public asset of incalculable value. The report notes that irrigation projects involving the storage of flood waters (in which, of course, reclamation of arid lands is the chief and primary object) create canals as well as tend to purify and clarify waters and to conserve supply by seepage during droughts; that on the other hand works designed to improve navigation commonly produce headwater and develop power; that western projects are "chiefly thus far for irrigation, but prospectively for navigation and power."

Accordingly the great central idea of Mr. Newlands's measure is the conservation and correlation of the natural resources of the country in navigable waters which are national resources, because essentially dependent upon and developed from the preservation and regulation of stream flow and the improvement of navigation. For example, section 2 of the bill provides for examinations, surveys, and investigations—

> with a view to the promotion of transportation; and to consider and coordinate the questions of irrigation, swamp-land reclamation, clarification of streams, utilization of water power, prevention of soil waste, protection of forests, regulation of flow, control of floods, transfer facilities and sites, and the regulation and control thereof, and such other questions regarding waterways as are related to the development of rivers, lakes, and canals for the purposes of commerce.

And again, by section 6, the projects authorized and begun under section 5—

> may include such collateral works for the irrigation of arid lands (for reclamation and conservation as specified) and for the utilization of water power as may be deemed advisable in connection with the development of a channel for navigation, or as aiding in a compensatory way in the diminution of the cost of such project.

Section 7 authorizes the commission to be appointed "to enter into cooperation with States, municipalities, communities, corporations, and individuals in such collateral works."

The report of the Secretary of War on this bill, dated April 17, substantially and by inference approves its purpose and general provisions, while making certain specific suggestions. That report notes the provision for coordination between navigation and other uses of the waters in connection with their improvement for the promotion of commerce among the States, and the provision for cooperation with States, municipalities, etc., so as to promote "union of interests through mutual beneficial cooperation," which "feature is recognized by the War Department as highly desirable." The report also notes the provision for correlating the existing agencies in the departments of War, Interior, Agriculture, and Commerce and Labor, and "the utilization and control of water power available in navigable and source streams developed by works for improving navigation." To meet constitutional and legal objections, certain changes are suggested in order to make it clear that the bill contemplates no extension of federal authority beyond its recognized limits, by language which expressly restricts the plan to the development of navigable inland waterways for the purpose of regulating, improving, and protecting interstate and foreign commerce, and also by language which makes the dependence and connection of irrigation and other uses upon the navigation use more clear and certain.

If the power exists, it is for Congress to say whether the occasion for its exercise is real, and whether the connection between the occasion and the method and results of exercise of the power is substantial, and whether the means employed to carry the power into effect are legitimate. The wisdom, expediency, and justice of the means employed are all for Congress to determine. Certainly it is no objection to a power that its exercise is manifestly of vital importance and advantage to the general welfare. As I have suggested already, the interests of navigation may be a secondary or even negligible consideration with the licensees of the Government, but that does not make the government jurisdiction any the less a constitutional control over navigation, and the real object of the licensee, whether it be the development of power or irrigation, is none the less merely subsidiary and incidental from the government point of view. If the Government by its own works in actual aid of navigation, or by such works undertaken by its licensees and agents, or by private licensed and permitted structures in navigable streams where navigation is not yet in actual course of improvement, develops power, which is the natural, and indeed necessary, result of such works, it is preposterous to say that the Government can not deal with the subject on the basis of or with any reference to the power thus incidentally or intentionally developed, but must let it go to waste or give it away or turn it over to the State.

I repeat that the development of power or of irrigation from surplus waters is subsidiary and collateral to, but nevertheless germane to, an actual development of navigation or to an exercise of the navigation jurisdiction where development is in abeyance.

Of course the terms to licensees should be fair, and this is a matter for the justice as well as the wisdom of Congress to settle. The period of license should be long enough to permit the enterprise to be financed. In some cases it may very likely be that all charges should be nominal for a reasonable period, and the rate per horsepower unit might ultimately be varied in accordance with different conditions of time, place, population, and other tributary factors.

Take a case in illustration: The proposal for the Long Saut on the St. Lawrence River contemplates a 20-foot channel in the river where now there is no navigable channel at all, and, under our conventional arrangements with Great Britain, vessels of the United States must use the canal on the Canadian side. This is navigation and an improvement to navigation of tremendous consequence and value. The power developed is enormous and correspondingly valuable. Of course the private enterprise which undertakes this public work is entitled to protection and reward. It may be that the contractors, in consideration of the creation of that most valuable channel, should be relieved from any government charges for the power developed for a term of years; but on the other hand the power developed, which belongs ultimately to and is held in trust for all the people of the United States, should not be granted forever and for nothing.

I understand that the government engineers and experts estimate that the proper use of the water powers of the country as an asset of the people would in time pay for all contemplated and possible improvement of the navigable inland waterways.

The proposed use of the funds to be produced is further evidence of the essential connection between the improvement of navigation and other uses of water thereby stored and made available, because the charges made are to constitute a permanent and general fund in aid of the development of all navigable waterways. The various States manifest concurrence and willingness toward the government plans, and while that fact would not authorize a scheme otherwise unconstitutional, it is of vast practical importance that local jealousies will not be aroused and that the proposals contemplate and would receive cooperation from States, municipalities, and all others locally interested in plans which in the end are for the benefit of the whole people.

Keeping in mind the general principles established and the considcrations of proper methods and particular equities which are committed to Congress, the strict constitutionality of the programme proposed can not well be doubted.

SPECIAL MESSAGE.

To the House of Representatives:

I herewith return, without approval, H. R. 16954, entitled "An act to provide for the Thirteenth and subsequent decennial censuses." I do this with extreme reluctance, because I fully realize the importance of supplying the Director of the Census at as early a date as possible with the force necessary to the carrying on of his work. But it is of high consequence to the country that the statistical work of the census shall be conducted with entire accuracy. This is as important from the standpoint of business and industry as from the scientific standpoint. It is, therefore, in my judgment, essential that the result should not be open to the suspicion of bias on political and personal grounds; that it should not be open to the reasonable suspicion of being a waste of the people's money and a fraud.

Section 7 of the act provides in effect that appointments to the census shall be under the spoils system, for this is the real meaning of the provision that they shall be subject only to noncompetitive examination. The proviso is added that they shall be selected without regard to political party affiliations. But there is only one way to guarantee that they shall be selected without regard to politics and on merit, and that is by choosing them after competitive examination from the lists of eligibles provided by the Civil Service Commission. The present Director of the Census in his last report states the exact fact about these noncompetitive examinations when he says:

"A noncompetitive examination means that every one of the many thousands who will pass the examinations will have an equal right to appointment, and that personal and political pressure must in the end, as always before, become the determining factor with regard to the great body of these temporary employments. I can not too earnestly urge that the Director of the Census be relieved from this unfortunate situation."

To provide that the clerks and other employees shall be appointed after noncompetitive examination, and yet to provide that they shall be selected without regard to political party affiliations, means merely that the appointments shall be treated as the perquisites of the politicians of both parties, instead of as the perquisites of the politicians of one party. I do not believe in the doctrine that to the victor belong the spoils; but I think even less of the doctrine that the spoils shall be divided without a fight by the professional politicians on both sides; and this would be the result of permitting the bill in its present shape to become a law. Both of the last censuses, the Eleventh and the Twelfth, were taken under a provision of law excluding competition; that is, necessitating the appointments being made under the spoils system. Every man competent to speak with authority because of his knowledge of and familiarity with the work of those censuses has stated that the result was to produce extravagance and demoralization. Mr. Robert P. Porter, who took the census of 1890, states that—

"The efficiency of the decennial census would be greatly improved and its cost materially lessened if it were provided that the employees should be selected in accordance with the terms of the civil service law."

Mr. Frederick H. Wines, the Assistant Director of the Census of 1900, states as follows:

"A mathematical scale was worked out by which the number of 'assignments' to each Senator and Representative was determined in advance, so many appointments to a Senator, a smaller number to a Representative, half as many to a Democrat as a Republican, and in Democratic States and congressional districts the assignments were made to the Republican state and district committees. The assignees named in the first instance the persons to be examined. They were afterwards furnished each with a list of those names who had 'passed' and requested to name those whom they desired to have appointed. Vacancies were filled in the same manner. This system was thoroughly satisfactory to the majority of the politicians interested, though there were a few who refused to have anything to do with it. The effect upon the bureau was, as may readily be imagined, thoroughly demoralizing."

Mr. Carroll D. Wright, who had charge of the Census Bureau after the census of 1890, estimates that $2,000,000, and more than a year's time, would have been saved if the census force had been brought into the classified service, and adds:

"I do not hesitate to say one-third of the amount expended under my own administration was absolutely wasted, and wasted principally on account of the fact that the office was not under civil service rules. * * * In October, 1893, when I took charge of the Census Office, there was an office force of 1,092. There had been a constant reduction for many months and this was kept up without cessation till the close of the census. There was never a month after October, 1893, that the clerical force reached the number then in office; nevertheless, while these general reductions were being made and in the absence of any necessity for the increase of the force, 389 new appointments were made."

This of course meant the destruction of economy and efficiency for purely political considerations.

In view of the temporary character of the work, it would be well to waive the requirements of the civil service law as regards geographical apportionment, but the appointees should be chosen by competitive examination from the lists provided by the Civil Service Commission. The noncompetitive examination in a case like this is not only vicious, but is in effect a fraud upon the public. No essential change is effected by providing that it be conducted by the Civil Service Commission; and to provide that the employees shall be selected without regard to political party affiliations is empty and misleading, unless, at the same time, it is made effective in the only way in which it is possible to make it effective—that is, by providing that the examination shall be made competitive.

I also recommend that if provision is made that the census printing work may be done outside the Government Printing Office, it shall be explicitly provided that the Government authorities shall see that the eight-hour law is applied in effective fashion to these outside offices.

Outside of these matters, I believe that the bill is, on the whole, satisfactory and represents an improvement upon previous legislation on the subject. But it is of vital consequence that we should not once again permit the usefulness of this great decennial undertaking on behalf of the whole people to be marred by permitting it to be turned into an engine to further the self-interest of that small section of the people which makes a profession of politics. The evil effects of the spoils system and of the custom of treating appointments to the public service as personal perquisites of professional politicians are peculiarly evident in the case of a great public work like the taking of the census, a work which should emphatically be done for the whole people and with an eye single to their interest.

THEODORE ROOSEVELT.

THE WHITE HOUSE, *February 5, 1909.*

[H. R. 16954. Sixtieth Congress of the United States of America; at the second session. Begun and held at the city of Washington on Monday, the seventh day of December, one thousand nine hundred and eight.]

An act to provide for the Thirteenth and subsequent decennial censuses.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress Assembled, That a census of the population, agriculture, manufactures, and mines and quarries of the

United States shall be taken by the Director of the Census in the year nineteen hundred and ten and every ten years thereafter. The census herein provided for shall include each State and Territory on the mainland of the United States, the District of Columbia, and Alaska, Hawaii, and Porto Rico.

SEC. 2. That the period of three years beginning the first day of July next preceding the census provided for in section one of this Act shall be known as the decennial census period, and the reports upon the inquiries provided for in said section shall be completed and published within such period.

SEC. 3. That after June thirtieth, nineteen hundred and nine, and during the decennial census period only, there may be employed in the Census Office, in addition to the force provided for by the Act of March sixth, nineteen hundred and two, entitled "An Act to provide for a permanent Census Office," an Assistant Director, who shall be an experienced practical statistician; a geographer, a chief statistician, who shall be a person of known and tried experience in statistical work, an appointment clerk, a private secretary to the Director, two stenographers, and eight expert chiefs of division. These officers, with the exception of the Assistant Director, shall be appointed without examination by the Secretary of Commerce and Labor upon the recommendation of the Director of the Census. The Assistant Director shall be appointed by the President, by and with the advice and consent of the Senate.

SEC. 4. That the Assistant Director shall perform such duties as may be prescribed by the Director of the Census. In the absence of the Director the Assistant Director shall serve as Director, and in the absence of the Director and Assistant Director the chief clerk shall serve as Director.

The appointment clerk shall perform the appointment duties assigned to the disbursing clerk in section four of the Act entitled "An Act to provide for a permanent Census Office," approved March sixth, nineteen hundred and two. The disbursing clerk of the Census Office shall, at the beginning of the decennial census period, give additional bond to the Secretary of the Treasury in the sum of one hundred thousand dollars, surety to be approved by the Solicitor of the Treasury, which bond shall be conditioned that the said officer shall render, quarter yearly, a true and faithful account to the proper accounting officers of the Treasury of all moneys and properties which shall be received by him by virtue of his office during the said decennial census period. Such bond shall be filed in the office of the Secretary of the Treasury, to be by him put in suit upon any breach of the conditions thereof.

SEC. 5. That during the decennial census period the annual compensation of the officials of the Census Office shall be as follows: The Director of the Census, seven thousand five hundred dollars; the private secretary to the Director, two thousand five hundred dollars; the Assistant Director, five thousand dollars; the chief statisticians, three thousand five hundred dollars each; the chief clerk, three thousand dollars; the disbursing clerk, three thousand dollars; the appointment clerk, three thousand dollars; the geographer, three thousand dollars; the chiefs of division, two thousand two hundred and fifty dollars each; and the stenographers provided for in section three of this Act, two thousand dollars each.

SEC. 6. That in addition to the force hereinbefore provided for and to that already authorized by law there may be employed in the Census Office during the decennial census period, and no longer, as many clerks of classes four, three, two, and one; as many clerks, copyists, computers, and skilled laborers, with salaries at the rate of not less than six hundred dollars nor more than one thousand dollars per annum, and as many messengers, assistant messengers, messenger boys, watchmen, unskilled laborers, and charwomen, as may be found necessary for the proper and prompt performance of the duties herein required, these additional clerks and employees to be appointed by the Director of the Census: *Provided,* That the total number of such additional clerks of classes two, three, and four shall at no time exceed one hundred: *And provided further,* That employees engaged in the compilation or tabulation of statistics by the use of mechanical devices may be compensated on a piece-price basis to be fixed by the Director.

SEC. 7. That the additional clerks and other employees provided for in section six shall be subject to such noncompetitive examination as the Director of the Census may prescribe, the said examination to be conducted by the United States Civil Service Commission: *Provided,* That they shall be selected without regard to the law of apportionment or to the political party affiliations of the applicants, and that preference may be given to persons having previous experience in census work whose efficiency records are satisfactory to the said Director, who may, in his discretion, accept such records in lieu of said examination: *And provided further,* That employees in other branches of the departmental classified service who have had previous experience in census work may be transferred without examination to the Census Office to serve during the whole or a part of the decennial census period, and at the end of such service the employees so transferred shall be eligible to appointment to poistions of similar grade in any Department without examination: *And provided further,* That during the decennial census period and no longer the Director of the Census may fill vacancies in the permanent force of the Census Office by the promotion or transfer of clerks or other employees employed on the temporary force authorized by section six of this Act: *And provided further,* That at the expiration of the decennial census period the term of service of all employees so transferred and of all other temporary officers and employees appointed under the provisions of this Act shall terminate, and such officers and employees shall not thereafter be eligible to appointment or transfer into the classified service of the Government by virtue of their examination or appointment under this Act.

SEC. 8. That the Thirteenth Census shall be restricted to inquiries relating to population, to agriculture, to manufactures, and to mines and quarries. The schedules relating to population shall include for each inhabitant the name, relationship to head of family, color, sex, age, conjugal condition, place of birth, place of birth of parents, number of years in the United States, citizenship, occupation, whether or not employer or employee, school attendance, literacy, and tenure of home and whether or not a survivor of the Union or Confederate Army or Navy; and for the enumeration of institutions, shall include paupers, prisoners, juvenile delinquents, insane, feeble-minded, blind, deaf and dumb, and inmates of benevolent institutions.

The schedules relating to agriculture shall include name and color of occupant of each farm, tenure, acreage of farm, value of farm and improvements, value of farm implements, number and value of live stock on farms and ranges, number and value of domestic animals not on farms and ranges, and the acreage of crops as of the date of enumeration, and the acreage of crops and the quantity and value of crops and other farm products for the year ending December thirty-first next preceding the enumeration.

The schedules of inquiries relating to manufactures and to mines and quarries shall include the name and location of each establishment; character of organization, whether individual, cooperative, or other form; character of business or kind of goods manufactured; amount of capital actually invested; number of proprietors, firm members, copartners, stockholders, and officers and the amount of their salaries; number of employees and the amount of their wages; quantity and cost of materials used in manufactures; amount of miscellaneous expenses; quantity and value of products; time in operation during the census year; character and quantity of power used, and character and number of machines employed.

The census of manufactures and of mines and quarries shall relate to the year ending December thirty-first next preceding the enumeration of population and shall be confined to mines and quarries and manufacturing establishments which were in active operation during all or a portion of that year. The census of manufactures shall furthermore be confined to manufacturing establishments conducted under what is known as the factory system, exclusive of the so-called neighborhood household and hand industries.

The inquiry concerning manufactures shall cover the production of turpentine and rosin and the report concerning this industry shall show, in addition to the other facts covered by the regular schedule of manufactures, the quantity of crude turpentine gathered, the quantity of turpentine and rosin manufactured, the sources, methods, and extent of the industry.

Whenever he shall deem it expedient, the Director of the Census may charge the collection of these statistics upon special agents or upon detailed employees, to be employed without respect to locality.

The form and subdivision of inquiries necessary to secure the information under the foregoing topics shall be determined by the Director of the Census.

SEC. 9. That the Director of the Census shall, at least six months prior to the date fixed for commencing the enumeration at the Thirteenth and each succeeding decennial census, designate the number, whether one or more, of supervisors of census for each State and Territory, the District of Columbia, Alaska, the Hawaiian Islands, and Porto Rico, and shall define the districts within which they are to act; except that the Director of the Census, in his discretion, need not designate supervisors for Alaska and the Hawaiian Islands, but in lieu thereof may employ special agents as hereinafter provided. The supervisors shall be appointed by the President, by and with the advice and consent of the Senate; *Provided,* That the whole number of supervisors shall not exceed three hundred and thirty: *And provided further,* That so far as practicable and desirable the boundaries of the supervisors' distrcts shall conform to the boundaries of the Congressional districts: *And provided further,* That if in any supervisor's distrct the supervisor has not been appointed and qualified ninety days preceding the date fixed for the commencement of the enumeration, or if any vacancy shall occur thereafter, either through death, removal, or resignation of the supervisor, or from any other cause, the Director of the Census may appoint a temporary supervisor or detail an employee of the Census Office to act as supervisor for that district.

SEC. 10. That each supervisor of census shall be charged with the performance, within his own district, of the following duties: To consult with the Director of the Census in regard to the division of his district into subdivisions most convenient for the purpose of the enumeration, which subdivisions or enumeration districts shall be defined and the boundaries thereof fixed by the Director of the Census; to designate to the Director suitable persons, and, with his consent, to employ such persons as enumerators, one or more for each subdivision; to communicate to enumerators the necessary instructions and directions relating to their duties; to examine and scrutinize the returns of the enumerators, and in the event of discrepancies or deficiencies appearing in any of the said returns to use all diligence in causing the same to be corrected or supplied; to forward the completed returns of the enumerators to the Director at such time and in such manner as shall be prescribed, and to make up and forward to the Director the accounts of each enumerator in his district for service rendered, which accounts shall be duly certified to by the enumerator, and the same shall be certified as true and correct, if so found, by the supervisor, and said accounts so certified shall be accepted and paid by the Director. The duties imposed upon the supervisor by this Act shall be performed in any and all particulars in accordance with the orders and instructions of the Director of the Census.

SEC. 11. That each supervisor of the census shall, upon the completion of his duties to the satisfaction of the Director of the Census, receive the sum of one thousand five hundred dollars and, in addition thereto, one dollar for each thousand or majority fraction of a thousand of population enumerated in his district, such sums to be in full compensation for all services rendered and expenses incurred by him: *Provided,* That of the above-named compensation a sum not to exceed six hundred dollars, in the discretion of the Director of the Census, may be paid to any supervisor prior to the completion of his duties in one or more payments, as the Director of the Census may determine: *Provided further,* That in emergencies arising in connection with the work of preparation for, or during the progress of, the enumeration in his district, or in connection with the reenumeration of any subdivision, a supervisor may, in the discretion of the Director of the Census, be allowed actual and necessary traveling expenses and an allowance in lieu of subsistence not exceeding four dollars per day during his necessary absence from his usual place of residence: *And provided further,* That an appropriate allowance to supervisors for clerk hire may be made when deemed necessary by the Director of the Census.

SEC. 12. That each enumerator shall be charged with the collection in his subdivision of the facts and statistics required by the population and agricultural schedules and such other schedules as the Director of the Census may determine shall be used by him in connection with the census, as provided in section eight of this Act. It shall be the duty of each enumerator to visit personally each dwelling house in his subdivision, and each family therein, and each individual living out of a family in any place of abode, and by inquiry made of the head of each family, or of the member thereof deemed most competent and trustworthy, or of such individual living out of a family, to obtain each and every item of information and all particulars required by this Act as of date April fifteenth of the year in which the enumeration shall be made; and in case no person shall be found at the usual place of abode of such family, or individual living out of a family, competent to answer the inquiries made in compliance with the requirements of this Act, then it shall be lawful for the enumerator to obtain the required information as nearly as may be practicable from families or persons living in the neighborhood of such place of abode. It shall be the duty also of each enumerator to forward the original schedules, properly filled out and duly certified, to the supervisor of his district as his returns under the provisions of this Act; and in the event of discrepancies or deficiencies being discovered in these schedules he shall use all diligence in correcting or supplying the same. In case an enumeration district embraces all or any part of any incorporated borough, village, town, or city, and also other territory not included within the limits of such incorporated borough, village, town or city, it shall be the duty of the enumerator to clearly and plainly distinguish and separate, upon the population schedules, the inhabitants of such borough, village, town or city from the inhabitants of the territory not included therein. No enumerator shall be deemed qualified to enter upon his duties until he has received from the supervisor of the district to which he belongs a commission, signed by the supervisor, authorizing him to perform the duties of an enumerator, and setting forth the boundaries of the subdivision within which such duties are to be performed.

SEC. 13. That the territory assigned to each supervisor shall be divided into as many enumeration districts as may be necessary to carry out the purposes of this Act, and, in the discretion of the Director of the Census, two or more enumeration districts may be given to one enumerator, and the boundaries of all the enumeration districts shall be clearly described by civil divisions, rivers, roads, public surveys, or other easily distinguishable lines: *Provided,* That enumerators may be assigned for the special enumeration of institutions, when desirable, without reference to the number of inmates.

SEC. 14. That any supervisor of census may, with the approval of the Director of the Census, remove any enumerator in his district and fill the vacancy thus caused or otherwise occurring. Whenever it shall appear that any portion of the census provided for in this Act has been negligently or improperly taken, and is by reason thereof incomplete or erroneous, the Director of the Census may cause such incomplete and unsatisfactory enumeration and census to be amended or made anew.

SEC. 15. That the Director of the Census may authorize and direct supervisors of census to employ interpreters to assist the enumerators of their respective districts in the enumeration of persons not speaking the English language, but no authorization shall be given for such employment in any district until due and proper effort has been made to secure an enumerator who can speak the language or languages for which the services of an interpreter would otherwise be required. The compensation of such interpreters shall be fixed by the Director of the Census in advance, and shall not exceed five dollars per day for each day actually and necessarily employed.

SEC. 16. That the compensation of enumerators shall be determined by the Director of the Census as follows: In subdivisions where he shall deem such remuneration sufficient, an allowance of not less than two nor more than four cents for each inhabitant; not less than twenty nor more than thirty cents for each farm reported; ten cents for each barn and enclosure containing live stock not on farms, and not less than twenty nor more than thirty cents for each establishment of productive industry reported. In other subdivisions the Director of the Census may fix a mixed rate of not less than one nor more than two dollars per day and, in addition, an allowance of not less than one nor more than three cents for each inhabitant enumerated, and not less than fifteen nor more than twenty cents for each farm and each establishment of productive industry reported. In other subdivisions per diem rates shall be fixed by the Director according to the difficulty of enumeration, having special reference to the regions to be canvassed and the sparsity of settlement or other considerations pertinent thereto. The compensation allowed to an enumerator in any such district shall be not less than three nor more than six dollars per day of eight hours actual field work, and no payment shall be made for time in excess of eight hours for any one day. The subdivisions or enumeration districts to which the several rates of compensation shall apply shall be designated by the Director of the Census at least two weeks in advance of the enumeration. No claim for mileage or traveling expenses shall be allowed any enumerator in either class of subdivisions, except in extreme cases, and then only when authority has been previously granted by the Director of the Census; and the decision of the Director as to the amount due any enumerator shall be final.

SEC. 17. That in the event of the death of any supervisor or enumerator after his appointment and entrance on his duties, the Director of the Census is authorized to pay to his widow or his legal representative such sum as he may deem just and fair for the services rendered by such supervisor or enumerator.

SEC. 18. That special agents may be appointed by the Director of the Census to carry out the provisions of this Act and of the Act to provide for a permanent Census Office approved March sixth, nineteen hundred and two, and Acts amendatory thereof or supplemental thereto. The special agents thus appointed shall have like authority with the enumerators in respect to the subjects committed to them under this Act, and shall receive compensation at rates to be fixed by the Director of the Census: *Provided*, That the same shall in no case exceed six dollars per day and actual necessary traveling expenses, and an allowance in lieu of subsistence not exceeding four dollars per day during necessary absence from their usual place of residence: *Provided further*, That no pay or allowance in lieu of subsistence shall be allowed special agents when employed in the Census Office on other than the special work committed to them, and no appointments of special agents shall be made for clerical work: *And provided further*, That the Director of the Census shall have power, and is hereby authorized, to appoint special agents to assist the supervisors whenever he may deem it proper, in connection with the work of preparation for, or during the progress of, the enumeration or in connection with the reenumeration of any district or a part thereof; or he may, in his discretion, employ for this purpose any of the permanent or temporary employees of the Census Office: *And provided further*, That the Director of the Census may, in his discretion, fix the compensation of special agents on a piece-price basis.

SEC. 19. That every supervisor, supervisor's clerk, enumerator, interpreter, special agent, or other employee shall take and subscribe to an oath or affirmation, to be prescribed by the Director of the Census. All appointees and employees provided for in this Act shall be appointed or employed, and examined, if examination is required by this Act, solely with reference to their fitness to perform the duties required of them by the provisions of this Act, and without reference to their political party affiliations.

SEC. 20. That the enumeration of the population required by section one of this Act shall be taken as of the fifteenth day of April; and it shall be the duty of each enumerator to commence the enumeration of his district on that day, unless the Director of the Census in his discretion shall defer the enumeration in said district by reason of climatic or other conditions which would materially interfere with the proper conduct of the work; but in any event it shall be the duty of each enumerator to prepare the returns hereinbefore required to be made except those relating to paupers, prisoners, juvenile delinquents, insane, feeble-minded, blind, deaf and dumb, and inmates of benevolent institutions, and to forward the same to the supervisor of his district, within thirty days from the commencement of the enumeration of his district: *Provided*, That in any city having five thousand inhabitants or more under the preceding census the enumeration of the population shall be commenced on the fifteenth day of April aforesaid and shall be completed within two weeks thereafter.

SEC. 21. That if any person shall receive or secure to himself any fee, reward, or compensation as a consideration for the appointment or employment of any person as enumerator or clerk or other employee, or shall in any way receive or secure to himself any part of the compensation paid to any enumerator or clerk or other employee, he shall be deemed guilty of a misdemeanor, and upon conviction thereof shall be fined not more than three thousand dollars and be imprisoned not more than five years.

SEC. 22. That any supervisor, supervisor's clerk, enumerator, interpreter, special agent, or other employee, who, having taken and subscribed the oath of office required by this Act, shall, without justifiable cause, neglect or refuse to perform the duties enjoined on him by this Act, shall be deemed guilty of a misdemeanor, and upon conviction thereof, shall be fined not exceeding five hundred dollars; or if he shall, without the authority of the Director of the Census, publish or communicate any information coming into his possession by reason of his employment under the provisions of this Act, or the Act to provide for a permanent Census Office, or Acts amendatory thereof or supplemental thereto, he shall be guilty of a misdemeanor and shall upon conviction thereof be fined not to exceed one thousand dollars, or be imprisoned not to exceed two years, or both so fined and imprisoned, in the discretion of the court; or if he shall willfully and knowingly swear to or affirm falsely, he shall be deemed guilty of perjury, and upon conviction thereof shall be imprisoned not exceeding five years and be fined not exceeding two thousand dollars; or if he shall willfully and knowingly make a false certificate or a fictitious return, he shall be guilty of a misdemeanor, and upon conviction of either of the last-named offenses he shall be fined not exceeding two thousand dollars and be imprisoned not exceeding five years; or if any person who is or has been an enumerator shall knowingly or willfully furnish, or cause to be furnished, directly or indirectly, to the Director of the Census, or to any supervisor of the census, any false statement or false information with reference to any inquiry for which he was authorized and required to collect information, he shall be guilty of a misdemeanor, and upon conviction thereof shall be fined not exceeding two thousand dollars and be imprisoned not exceeding five years.

SEC. 23. That it shall be the duty of all persons over twenty-one years of age when requested by the Director of the Census, or by any supervisor, enumerator, or special agent, or other employee of the Census Office, acting under the instructions of the said Director, to answer correctly, to the best of their knowledge, all questions on the census schedules applying to themselves and to the family to which they belong or are related, and to the farm or farms of which they or their families are the occupants; and any person over twenty-one years of age who, under the conditions hereinbefore stated, shall refuse or willfully neglect to answer any of these questions, or shall willfully give answers that are false, shall be guilty of a misdemeanor, and upon conviction thereof shall be fined not exceeding one hundred dollars.

And it shall be the duty of every owner, proprietor, manager, superintendent, or agent of a hotel, apartment house, boarding or lodging house, tenement, or other building, when requested by the Director of the Census, or by any supervisor, enumerator, special agent, or other employee of the Census Office, acting under the instructions of the said Director, to furnish the names of the occupants of said hotel, apartment house, boarding or lodging house, tenement, or other building, and to give thereto free ingress and egress to any duly accredited representative of the Census Office, so as to permit of the collection of statistics for census purposes, including the proper and correct enumeration of all persons having their usual place of abode in said hotel, apartment house, boarding or lodging house, tenement, or other building; and any owner, proprietor, manager, superintendent, or agent of a hotel, apartment house, boarding or lodging house, tenement, or other building who shall refuse or willfully neglect to give such information or assistance under the conditions hereinbefore stated shall be guilty of a misdemeanor, and upon conviction thereof shall be fined not exceeding five hundred dollars.

SEC. 24. And it shall be the duty of every owner, president, treasurer, secretary, director, or other officer or agent of any manufacturing establishment, mine, quarry, or other establishment of productive industry, whether conducted as a corporation, firm, limited liability company, or by private individuals, when requested by the Director of the Census or by any supervisor, enumerator, special agent, or other employee of the Census Office acting under the instructions of the said Director, to answer completely and correctly to the best of his knowledge all questions of any census schedule applying to such establishment; and any owner, president, secretary, director, or other officer or agent of any manufacturing establishment, mine, quarry, or other establishment of productive industry, who under the conditions hereinbefore stated shall refuse or willfully neglect to answer any of these questions or shall willfully give answers that are false, shall be guilty of a misdemeanor, and upon conviction thereof shall be fined not exceeding ten thousand dollars, or imprisonment for a period not exceeding one year, or both so fined and imprisoned, at the discretion of the court. The provisions of this section shall also apply to the collection of the information required and authorized by the Act entitled "An Act to provide for a permanent Census Office," and by Acts amendatory thereof or supplemental thereto.

SEC. 25. That the information furnished under the provisions of the next preceding section shall be used only for the statistical purposes for which it is supplied. No publication shall be made by the Census Office whereby the data furnished by any particular establishment can be identified, nor shall the Director of the Census permit anyone other than the sworn employees of the Census Office to examine the individual reports.

SEC. 26. That all fines and penalties imposed by this Act may be enforced by indictment or information in any court of competent jurisdiction.

SEC. 27. That the Director of the Census may authorize the expenditure of necessary sums for the actual and necessary traveling expenses of the officers and employees of the Census Office, including an allowance in lieu of subsistence not exceeding four dollars per day during their necessary absence from the Census Office, or, instead of such an allowance, their actual subsistence expenses, not exceeding five dollars per day; and he may authorize the incidental, miscellaneous, and contingent expenses necessary for the carrying out of this Act, as herein provided, and not otherwise, including advertising in newspapers, the purchase of manuscripts, books of reference and periodicals, the rental of sufficient quarters in the District of Columbia or elsewhere and the furnishing thereof, and expenditures necessary for the compiling, printing, publishing, and distributing the results of the census, and purchase of necessary paper and other supplies, the purchase, rental, construction, and repair of mechanical appliances, the compensation of such permanent and temporary clerks as may be employed under the provisions of this Act and the Act establishing the permanent Census Office and Acts amendatory thereof or supplemental thereto, and all other expenses incurred under authority conveyed in this Act.

SEC. 28. That the Director of the Census is hereby authorized to make requisition upon the Public Printer for such printing as may be necessary to carry out the provisions of this Act, to wit: Blanks, schedules, circulars, pamphlets, envelopes, work sheets, and other items of miscellaneons printing; that he is further authorized to have printed by the Public Printer, in such editions as the Director may deem necessary, preliminary and other Census bulletins, and final reports of the results of the several investigations authorized by this Act, or by the Act to establish a permanent Census Office and Acts amendatory thereof or supplemental thereto, and to publish and distribute said bulletins and reports: *Provided,* That whenever in the opinion of the Director of the Census the Public Printer does not produce the printing and binding required under the provisions of this Act with sufficient promptness, or whenever said printing and binding are not produced by the Public Printer in a manner satisfactory to the Director of the Census in quality or price, said Director is hereby authorized, with the approval of the Secretary of Commerce and Labor, to contract with private parties for printing and binding after due competition.

SEC. 29. That all mail matter, of whatever class, relating to the census and addressed to the Census Office, or to any official thereof, and indorsed "Official business, Census Office," shall be transmitted free of postage, and by registered mail if necessary, and so marked: *Provided,* That if any person shall make use of such indorsement to avoid the payment of postage or registry fee on his or her private letter, package, or other matter in the mail, the person so offending shall be guilty of a misdemeanor and subject to a fine of three hundred dollars, to be prosecuted in any court of competent jurisdiction.

SEC. 30. That the Secretary of Commerce and Labor, whenever he may deem it advisable, or on request of the Director of the Census, is hereby authorized to call upon any other department or office of the Government for information pertinent to the work herein provided for.

SEC. 31. That there shall be in the year nineteen hundred and fifteen, and once every ten years thereafter, a census of agriculture and live stock, which shall show the acreage of farm land, the acreage of the principal crops, and the number and value of domestic animals on the farms and ranges of the country. The schedule employed in this census shall be prepared by the Director of the Census. Such census shall be taken as of October first, and shall relate to the current year. The Director of the Census may appoint enumerators or special agents for the purpose of this census, in accordance with the provisions of the permanent Census Act.

SEC. 32. That the Director of the Census is hereby authorized, at his discretion, upon the written request of the governor of any State or Territory, or of a court of record, to furnish such governor or court of record with certified copies of so much of the population or agricultural returns as may be requested, upon the payment of the actual cost of making such copies, and one dollar additional for certification; and that the Director of the Census is further authorized, in his discretion, to furnish to individuals such data from the population schedules as may be desired for genealogical or other proper purposes, upon payment of the actual cost of searching the records and one dollar for supplying a certificate; and the amounts so received shall be covered into the Treasury of the United States, to be placed to the credit of, and in addition to, the appropriations made for taking the census.

SEC. 33. That the Director of the Census, under the supervision of the Secretary of Commerce and Labor, be, and he is hereby, authorized and directed to acquire by purchase, condemnation, or otherwise, for the use of the Census Office, and for other governmental purposes, the site and buildings thereon, containing about one hundred and eighteen thousand square feet of ground, and constituting the southern three hundred and fifty feet, more or less, of square numbered five hundred and seventy-four, in Washington, District of Columbia, bounded on the north by a public alley, on the south by B street, on the east by First street, and on the west by Second street northwest: *Provided,* That not more than four hundred and thirty thousand dollars shall be paid for the property herein referred to.

That the said Director of the Census, under the supervision of the Secretary of Commerce and Labor, is instructed to cause to be erected on such portion of the site as is not now occupied by buildings a commodious and substantial building with fire-proof vaults, heating and ventilating apparatus, elevators, and approaches, for the use of the Census Office, and for other governmental purposes, the cost of such building not to exceed two hundred and fifty thousand dollars. A sum of money sufficient to pay for the property and the erection of the said building is hereby appropriated out of any money in the Treasury not otherwise appropriated: *Provided,* That no part of the said appropriation shall be expended until a valid title to the property referred to shall be vested in the United States.

SEC. 34. That the Act establishing the permanent Census Office, approved March sixth, nineteen hundred and two, and Acts amendatory thereof and supplemental thereto, except as herein amended, shall remain in full force. That the Act entitled "An Act to provide for taking the Twelfth and subsequent censuses," approved March third, eighteen hundred and ninety-nine, and all other laws and parts of laws inconsistent with the provisions of this Act are hereby repealed.

J. G. CANNON,
Speaker of the House of Representatives.
CHARLES W. FAIRBANKS,
Vice-President of the United States and
President of the Senate.

I certify that this Act originated in the House of Representatives.

A. MCDOWELL, *Clerk.*

SPECIAL MESSAGE.

To the Senate and House of Representatives:

In my message to the Congress of March 25, 1908, I outlined certain measures which I believe the majority of our countrymen desire to have enacted into law at this time. These measures do not represent by any means all that I would like to see done if I thought it possible, but they do represent what I believe can now be done if an earnest effort toward this end is made.

Since I wrote this message an employers' liability law has been enacted which, it is true, comes short of what ought to have been done, but which does represent a real advance. Apparently there is good ground to hope that there will be further legislation providing for recompensing all employees who suffer injury while engaged in the public service; that there will be a child-labor law enacted for the District of Columbia; that the Waterways Commission will be continued with sufficient financial support to increase the effectiveness of its preparatory work; that steps will be taken to provide for such investigation into tariff conditions, by the appropriate committee of the House of Representatives and by Government experts in the Executive service, as will secure the full information necessary for immediate action in revising the tariff at the hands of the Congress elected next fall; and finally, that financial legislation will be enacted providing for temporary measures for meeting any trouble that may arise in the next year or two, and for a commission of experts who shall thoroughly investigate the whole matter, both here and in the great commercial countries abroad, so as to be able to recommend legislation which will put our financial system on an efficient and permanent basis. It is much to be wished that one feature of the financial legislation of this session should be the establishment of postal savings banks. Ample appropriations should be made to enable the Interstate Commerce Commission to carry out the very important feature of the Hepburn law which gives to the Commission supervision and control over the accounting system of the railways. Failure to provide means which will enable the Commission to examine the books of the railways would amount to an attack on the law at its most vital point, and would benefit, as nothing else could benefit, those railways which are corruptly or incompetently managed. Forest reserves should be established throughout the Appalachian Mountain region wherever it can be shown that they will have a direct and real connection with the conservation and improvement of navigable rivers.

There seems, however, much doubt about two of the measures I have recommended: the measure to do away with abuse of the power of injunction and the measure or group of measures to strengthen and render both more efficient and more wise the control by the National Government over the great corporations doing an interstate business.

First, as to the power of injunction and of punishment for contempt. In contempt cases, save where immediate action is imperative, the trial should be before another judge. As regards injunctions, some such legislation as that I have previously recommended should be enacted. They are blind who fail to realize the extreme bitterness caused among large bodies of worthy citizens by the use that has been repeatedly made of the power of injunction in labor disputes. Those in whose judgment we have most right to trust are of the opinion that while much of the complaint against the use of the injunction is unwarranted, yet that it is unquestionably true that in a number of cases this power has been used to the grave injury of the rights of laboring men. I ask that it be limited in some such way as that I have already pointed out in my previous messages, for the very reason that I do not wish to see an embittered effort made to destroy it. It is unwise stubbornly to refuse to provide against a repetition of the abuses which have caused the present unrest. In a democracy like ours it is idle to expect permanently to thwart the determination of the great body of our citizens. It may be and often is the highest duty of a court, a legislature, or an executive, to resist and defy a gust of popular passion; and most certainly no public servant, whatever may be the consequences to himself, should yield to what he thinks wrong. But in a question which is emphatically one of public policy, the policy which the public demands is sure in the end to be adopted; and a persistent refusal to grant to a large portion of our people what is right is only too apt in the end to result in causing such irritation that when the right is obtained it is obtained in the course of a movement so ill considered and violent as to be accompanied by much that is wrong. The process of injunction in labor disputes, as well as where State laws are involved, should be used sparingly, and only when there is the clearest necessity for it; but it is one so necessary to the efficient performance of duty by the court on behalf of the Nation that it is in the highest degree to be regretted that it should be liable to reckless use; for this reckless use tends to make honest men desire so to hamper its execution as to destroy its usefulness.

Every farsighted patriot should protest first of all against the growth in this country of that evil thing which is called "class consciousness." The demagogue, the sinister or foolish socialist visionary who strives to arouse this feeling of class consciousness in our working people, does a foul and evil thing; for he is no true American, he is no self-respecting citizen of this Republic, he forfeits his right to stand with manly self-reliance on a footing of entire equality with all other citizens, who bows to envy and greed, who erects the doctrine of class hatred into a shibboleth, who substitutes loyalty to men of a particular status, whether rich or poor, for loyalty to those eternal and immutable principles of righteousness which bid us treat each man on his worth as a man without regard to his wealth or his poverty. But evil though the influence of these demagogues and visionaries is, it is no worse in its consequences than the influence exercised by the man of great wealth or the man of power and position in the industrial world, who by his lack of sympathy with, and lack of understanding of, still more by any exhibition of uncompromising hostility to, the millions of our working people, tends to unite them against their fellow-Americans who are better off in this world's goods. It is a bad thing to teach our working people that men of means, that men who have the largest proportion of the substantial comforts of life, are necessarily greedy, grasping, and cold-hearted, and that they unjustly demand and appropriate more than their share of the substance of the many. Stern condemnation should be visited upon demagogue and visionary who teach this untruth, and even sterner upon those capitalists who are in truth grasping and greedy and brutally disregardful of the rights of others, and who by their actions teach the dreadful lesson far more effectively than any mere preacher of unrest. A "class grievance" left too long without remedy breeds "class consciousness" and therefore class resentment.

The strengthening of the antitrust law is demanded upon both moral and economic grounds. Our purpose in strengthening it is to secure more effective control by the National Government over the business use of the vast masses of individual, and especially of corporate wealth, which at the present time monopolize most of the interstate business of the country; and we believe the control can best be exercised by preventing the growth of abuses, rather than merely by trying to destroy them when they have already grown. In the highest sense of the word this movement for thorough control of the business use of this great wealth is conservative. We are trying to steer a safe middle course, which alone can save us from a plutocratic class government on the one hand, or a socialistic class government on the other, either of which would be fraught with disaster to our free institutions, State and National. We are trying to avoid alike the evils which would flow from Government ownership of the public utilities by which interstate commerce is chiefly carried on, and the evils which flow from the riot and chaos of unrestricted individualism. There is grave danger to our free institutions in the corrupting influence exercised by great wealth suddenly concentrated in the hands of the few. We should in sane manner try to remedy this danger, in spite of the sullen opposition of these few very powerful men, and with the full purpose to protect them in all their rights at the very time that we require them to deal rightfully with others.

When with steam and electricity modern business conditions went through the astounding revolution which in this country began over half a century ago, there was at first much hesitation as to what particular governmental agency should be used to grapple with the new conditions. At almost the same time, about twenty years since, the effort was made to control combinations by regulating them through the Interstate Commerce Commission, and to abolish them by means of the antitrust act; the two remedies therefore being in part mutually incompatible. The interstate commerce law has produced admirable results, especially since it was strengthened by the Hepburn law two years ago. The antitrust law, though it worked some good, because anything is better than anarchy and complete absence of regulation, nevertheless has proved in many respects not merely inadequate but mischievous. Twenty years ago the misuse of corporate power had produced almost every conceivable form of abuse, and had worked the gravest injury to business morality and the public conscience. For a long time Federal regulation of interstate commerce had been purely negative, the National judiciary merely acting in isolated cases to restrain the State from exercising a power which it was clearly unconstitutional as well as unwise for them to exercise, but which nevertheless the National Government itself failed to exercise. Thus the corporations monopolizing commerce made the law for themselves, State power and common law being inadequate to accomplish any effective regulation, and the National power not yet having been put forth. The result was mischievous in the extreme, and only shortsighted and utter failure to appreciate the grossness of the evils to which the lack of regulation gave rise can excuse the well-meaning persons who now desire to abolish the antitrust law outright, or to amend it by simply condemning "unreasonable" combinations.

Power should unquestionably be lodged somewhere in the Executive branch of the Government to permit combinations which will further the public interest; but it must always be remembered that, as regards the great and wealthy combinations through which most of the interstate business of today is done, the burden of proof should be on them to show that they have a right to exist. No judicial tribunal has the knowledge or the experience to determine in the first place whether a given combination is advisable or necessary in the interest of the public. Some body, whether a commission, or a bureau under the Department of Commerce and Labor, should be given this power. My personal belief is that ultimately we shall have to adopt a National incorporation law, though I am well aware that this may be impossible at present. Over the actions of the Executive body in which the power is placed the courts should possess merely a power of review analogous to that obtaining in connection with the work of the Interstate Commerce Commission at present. To confer this power would not be a leap in the dark; it would merely be to carry still further the theory of effective Governmental control of corporations which was responsible for the creation of the Interstate Commerce Commission and for the enlargement of its powers, and for the creation of the Bureau of Corporations. The interstate commerce legislation has worked admirably. It has benefitted the public; it has benefitted honestly managed and wisely conducted railroads; and in spite of the fact that the business of the country has enormously increased, the value of this Federal legislation has been shown by the way in which it has enabled the Federal Government to correct the most pronounced of the great and varied abuses which existed in the business world twenty years ago—while the many abuses that still remain emphasize the need of further and more thoroughgoing legislation. Similarly, the Bureau of Corporations has amply justified its creation. In other words, it is clear that the principles employed to remedy the great evils in the business world have worked well, and they can now be employed to correct the evils that further commercial growth has brought more prominently to the surface. The powers and scope of the Interstate Commerce Commission, and of any similar body, such as the Bureau of Corporations, which has to deal with the matter in hand, should be greatly enlarged so as to meet the requirements of the present day.

The decisions of the Supreme Court in the Minnesota and North Carolina cases illustrate how impossible is a dual control of National commerce. The States can not control it. All they can do is to control intrastate commerce, and this now forms but a small fraction of the commerce carried by the railroads through each State. Actual experience has shown that the effort at State control is sure to be nullified in one way or another sooner or later. The Nation alone can act with effectiveness and wisdom; it should have the control both of the business and of the agent by which the business is done, for any attempt to separate this control must result in grotesque absurdity. This means that we must rely upon National legislation to prevent the commercial abuses that now exist and the others that are sure to arise unless some efficient Governmental body has adequate power of control over them. At present the failure of the Congress to utilize and exercise the great powers conferred upon it as regards interstate commerce leaves this commerce to be regulated, not by the State nor yet by the Congress, but by the ocasional and necessarily inadequate and one-sided action of the Federal judiciary. However upright and able a court is, it can not act constructively; it can only act negatively or destructively, as an agency of government; and this means that the courts are and must always be unable to deal effectively with a problem like the present, which requires constructive action. A court can decide what is faulty, but it has no power to make better what it thus finds to be faulty. There should be an efficient Executive body created with power enough to correct abuses and scope enough to work out the complex problems that this great country has developed. It is not sufficient objection to say that such a body may be guilty of unwisdom or of abuses. Any Governmental body, whether a court or a commission, whether executive, legislative or judicial, if given power enough to enable it to do effective work for good, must also inevitably receive enough power to make it possibly effective for evil.

Therefore, it is clear that (unless a National incorporation law can be forthwith enacted) some body or bodies in the Executive service should be given power to pass upon any combination or agreement in relation to interstate commerce, and every such combination or agreement not thus approved should be treated as in violation of law and prosecuted accordingly. The issuance of the securities of any combination doing interstate business should be under the supervision of the National Government.

A strong effort has been made to have labor organizations completely exempted from any of the operations of this law, whether or not their acts are in restraint of trade. Such exception would in all probability make the bill unconstitutional, and the Legislature has no more right to pass a bill without regard to whether it is constitutional than the courts have lightly to declare unconstitutional a law which the Legislature has solemnly enacted. The responsibility is as great on the one side as on the other, and an abuse of power by the Legislature in one direction is equally to be condemned with an abuse of power by the courts in the other direction. It is not possible wholly to except labor organizations from the workings of this law, and they who insist upon totally excepting them are merely providing that their status shall be kept wholly unchanged, and that they shall continue to be exposed to the action which they now dread. Obviously, an organization not formed for profit should not be required to furnish statistics in any way as complete as those furnished by organizations for profit. Moreover, so far as labor is engaged in pproduction only, its claims to be exempted from the antitrust law are sound. This would substantially cover the right of laborers to combine, to strike peaceably, and to enter into trade agreements with the employers. But when labor undertakes in a wrongful manner to prevent the distribution and sale of the products of labor, as by certain forms of the boycott, it has left the field of production, and its action may plainly be in restraint of interstate trade, and must necessarily be subject to inquiry, exactly as in the case of any other combination for the same purpose, so as to determine whether such action is contrary to sound public policy. The heartiest encouragement should be given to the wageworkers to form labor unions and to enter into agreements with their employers; and their right to strike, so long as they act peaceably, must be preserved. But we should sanction neither a boycott nor a blacklist which would be illegal at common law.

The measures I advocate are in the interest both of decent corporations and of law-abiding labor unions. They are, moreover, preeminently in the interest of the public, for in my judgment the American people have definitely made up their minds that the days of the reign of the great law-defying and law-evading corporations are over, and that from this time on the mighty organizations of capital necessary for the transaction of business under modern conditions, while encouraged so long as they act honestly and in the interest of the general public, are to be subjected to careful supervision and regulation of a kind so effective as to insure their acting in the interest of the people as a whole.

Allegations are often made to the effect that there is no real need for these laws looking to the more effective control of the great corporations, upon the ground that they will do their work well without such control. I call your attention to the accompanying copy of a report just submitted by Mr. Nathan Matthews, Chairman of the Finance Commission, to the Mayor and City Council of Boston, relating to certain evil practices of various corporations which have been bidders for furnishing to the city iron and steel. This report shows that there have been extensive combinations formed among the various corporations which have business with the city of Boston, including, for instance, a carefully planned combination embracing practically all the firms and corporations engaged in structural steel work in New England. This combination included substantially all the local concerns, and many of the largest corporations in the United States, engaged in manufacturing or furnishing structural steel for use in any part of New England; it affected the States, the cities and towns, the railroads and street railways, and generally all persons having occasion to use iron or steel for any purpose in that section of the country. As regards the city of Boston, the combination resulted in parceling out the work by collusive bids, plainly dishonest, and supported by false affirmations. In its conclusion, the Commission recommends as follows:

"Comment on the moral meaning of these methods and transactions would seem superfluous; but as they were defended at the public hearings of the Commission and asserted to be common and entirely proper incidents of business life, and as these practices have been freely resorted to by some of the largest industrial corporations that the world has ever known, the Commission deems it proper to record its own opinion.

"The Commission dislikes to believe that these practices are, as alleged, established by the general custom of the business community; and this defense itself, if unchallenged, amounts to a grave accusation against the honesty of present business methods.

"To answer an invitation for public or private work by sending in what purport to be genuine bids, but what in reality are collusive figures purposely made higher than the bid which is known will be submitted by one of the supposed competitors, is an act of plain dishonesty.

"To support these misrepresentations by false affirmations in writing that the bids are submitted in good faith, and without fraud, collusion, or connection with any other bidder, is a positive and deliberate fraud; the successful bidder in the competition is guilty of obtaining money by false pretenses; and the others have made themselves parties to a conspiracy clearly unlawful at the common law.

"Where, as in the case of the 'Boston Agreement,' a number of the most important manufacturers and dealers in structural steel in this country, including the American Bridge Company, one of the constituent members of the United States Steel Corporation, have combined together for the purpose of raising prices by means of collusive bids and false representations, their conduct is not only repugnant to common honesty, but is plainly obnoxious to the Federal statute known as the Sherman or antitrust law.

"The Commission believes that an example should be made of these men, and that the members of the 'Boston Agreement,' or at least all those who, in October and November, 1905, entered in the fraudulent competitions for the Cove Street draw span and the Brookline

Street Bridge, should be brought before a Federal grand jury for violation of the act of Congress of July 2, 1890. The three years' limitation for participation in these transactions has not yet elapsed, and the evidence obtained by the Commission is so complete that there should be no difficulty in the Government's securing a conviction in this case."

I have submitted this report to the Department of Justice for thorough investigation and for action, if action shall prove practicable.

Surely such a state of affairs as that above set forth emphasizes the need of further Federal legislation, not merely because of the material benefits such legislation will secure, but above all because this Federal action should be part, and a large part, of the campaign to waken our people as a whole to a lively and effective condemnation of the low standard of morality implied in such conduct on the part of great business concerns. The first duty of every man is to provide a livelihood for himself and for those dependent upon him; it is from every standpoint desirable that each of our citizens should endeavor by hard work and honorable methods to secure for him and his such a competence as will carry with it the opportunity to enjoy in reasonable fashion the comforts and refinements of life; and, furthermore, the man of great business ability who obtains a fortune in upright fashion inevitably in so doing confers a benefit upon the community as a whole and is entitled to reward, to respect, and to admiration. But among the many kinds of evil, social, industrial, and political, which it is our duty as a nation sternly to combat, there is none at the same time more base and more dangerous than the greed which treats the plain and simple rules of honesty with cynical contempt if they interfere with making a profit; and as a nation we can not be held guiltless if we condone such action. The man who preaches hatred of wealth honestly acquired, who inculcates envy and jealousy and slanderous ill will toward those of his fellows who by thrift, energy, and industry have become men of means, is a menace to the community. But his counterpart in evil is to be found in that particular kind of multimillionaire who is almost the least enviable, and is certainly one of the least admirable, of all our citizens; a man of whom it has been well said that his face has grown hard and cruel while his body has grown soft; whose son is a fool and his daughter a foreign princess; whose nominal pleasures are at best those of a tasteless and extravagant luxury, and whose real delight, whose real life work, is the accumulation and use of power in its most sordid and least elevating form. In the chaos of an absolutely unrestricted commercial individualism under modern conditions, this is a type that becomes prominent as inevitably as the marauder baron becomes prominent in the physical chaos of the dark ages. We are striving for legislation to minimize the abuses which give this type its flourishing prominence, partly for the sake of what can be accomplished by the legislation itself, and partly because the legislation marks our participation in a great and stern moral movement to bring our ideals and our conduct into measurable accord.

THEODORE ROOSEVELT.

THE WHITE HOUSE, *April 27*, 1908.

SPECIAL MESSAGE.

To the Senate and House of Representatives:

FINANCES.

The financial standing of the Nation at the present time is excellent, and the financial management of the Nation's interests by the Government during the last seven years has shown the most satisfactory results. But our currency system is imperfect, and it is earnestly to be hoped that the Currency Commission will be able to propose a thoroughly good system which will do away with the existing defects.

During the period from July 1, 1901, to September 30, 1908, there was an increase in the amount of money in circulation of $902,991,399. The increase in the per capita during this period was $7.06. Within this time there were several occasions when it was necessary for the Treasury Department to come to the relief of the money market by purchases or redemptions of United States bonds; by increasing deposits in national banks; by stimulating additional issues of national bank notes, and by facilitating importations from abroad of gold. Our imperfect currency system has made these proceedings necessary, and they were effective until the monetary disturbance in the fall of 1907 immensely increased the difficulty of ordinary methods of relief. By the middle of November the available working balance in the Treasury had been reduced to approximately $5,000,000. Clearing house associations throughout the country had been obliged to resort to the expedient of issuing clearing house certificates, to be used as money. In this emergency it was determined to invite subscriptions for $50,000,000 Panama Canal bonds, and $100,000,000 three per cent certificates of indebtedness authorized by the act of June 13, 1898. It was proposed to re-deposit in the national banks the proceeds of these issues, and to permit their use as a basis for additional circulating notes of national banks. The moral effect of this procedure was so great that it was necessary to issue only $24,631,980 of the Panama Canal bonds and $15,436,500 of the certificates of indebtedness.

During the period from July 1, 1901, to September 30, 1908, the balance between the net ordinary receipts and the net ordinary expenses of the Government showed a surplus in the four years

1902, 1903, 1906 and 1907, and a deficit in the years 1904, 1905, 1908 and a fractional part of the fiscal year 1909. The net result was a surplus of $99,283,413.54. The financial operations of the Government during this period, based upon these differences between receipts and expenditures, resulted in a net reduction of the interest-bearing debt of the United States from $987,141,040 to $897,253,990, notwithstanding that there had been two sales of Panama Canal bonds amounting in the aggregate to $54,631,980, and an issue of three per cent certificates of indebtedness under the act of June 13, 1898, amounting to $15,436,500. Refunding operations of the Treasury Department under the act of March 14, 1900, resulted in the conversion into two per cent consols of 1930 of $200,309,400 bonds bearing higher rates of interest. A decrease of $8,687,956 in the annual interest charge resulted from these operations.

In short, during the seven years and three months there has been a net surplus of nearly one hundred millions of receipts over expenditures, a reduction of the interest-bearing debt by ninety millions, in spite of the extraordinary expense of the Panama Canal, and a saving of nearly nine millions on the annual interest charge. This is an exceedingly satisfactory showing, especially in view of the fact that during this period the Nation has never hesitated to undertake any expenditure that it regarded as necessary. There have been no new taxes and no increase of taxes; on the contrary, some taxes have been taken off; there has been a reduction of taxation.

CORPORATIONS.

As regards the great corporations engaged in interstate business, and especially the railroad, I can only repeat what I have already again and again said in my messages to the Congress. I believe that under the interstate clause of the Constitution the United States has complete and paramount right to control all agencies of interstate commerce, and I believe that the National Government alone can exercise this right with wisdom and effectiveness so as both to secure justice from, and to do justice to, the great corporations which are the most important factors in modern business. I believe that it is worse than folly to attempt to prohibit all combinations as is done by the Sherman anti-trust law, because such a law can be enforced only imperfectly and unequally, and its enforcement works almost as much hardship as good. I strongly advocate that instead of an unwise effort to prohibit all combinations there shall be substituted a law which shall expressly permit combinations which are in the interest of the public, but shall at the same time give to some agency of the National Government full power of control and supervision over them. One of the chief features of this control should be securing entire publicity in all matters which the public has a right to know, and furthermore, the power, not by judicial but by executive action, to prevent or put a stop to every form of improper favoritism or other wrongdoing.

The railways of the country should be put completely under the Interstate Commerce Commission and removed from the domain of the anti-trust law. The power of the Commission should be made thoroughgoing, so that it could exercise complete supervision and control over the issue of securities as well as over the raising and lowering of rates. As regards rates, at least, this power should be summary. The power to investigate the financial operations and accounts of the railways has been one of the most valuable features in recent legislation. Power to make combinations and traffic agreements should be explicitly conferred upon the railroads, the permission of the Commission being first gained and the combination or agreement being published in all its details. In the interest of the public the representatives of the public should have complete power to see that the railroads do their duty by the public, and as a matter of course this power should also be exercised so as to see that no injustice is done to the railroads. The shareholders, the employees and the shippers all have interests that must be guarded. It is to the interest of all of them that no swindling stock speculation should be allowed, and that there should be no improper issuance of securities. The guiding intelligences necessary for the successful building and successful management of railroads should receive ample remuneration; but no man should be allowed to make money in connection with railroads out of fraudulent over-capitalization and kindred stock-gambling performances; there must be no defrauding of investors, oppression of the farmers and business men who ship freight, or callous disregard of the rights and needs of the employees. In addition to this the interests of the shareholders, of the employees, and of the shippers should all be guarded as against one another. To give any one of them undue and improper consideration is to do injustice to the others. Rates must be made as low as is compatible with giving proper returns to all the employees of the railroad, from the highest to the lowest, and proper returns to the shareholders; but they must not, for instance, be reduced in such fashion as to necessitate a cut in the wages of the employees or the abolition of the proper and legitimate profits of honest shareholders.

Telegraph and telephone companies engaged in interstate business should be put under the jurisdiction of the Interstate Commerce Commission.

It is very earnestly to be wished that our people, through their representatives, should act in this matter. It is hard to say whether most damage to the country at large would come from entire failure on the part of the public to supervise and control the actions of the great corporations, or from the exercise of the necessary governmental power in a way which would do injustice and wrong to the corporations. Both the preachers of an unrestricted individualism, and the preachers of an oppression which would deny to able men of business the just reward of their initiative and business sagacity, are advocating policies that would be fraught with the gravest harm to the whole country. To permit every lawless capitalist, every law-defying corporation, to take any action, no matter how iniquitous, in the effort to secure an improper profit and to build up privilege, would be ruinous to the Republic and would mark the abandonment of the effort to secure in the industrial world the spirit of democratic fair dealing. On the other hand, to attack these wrongs in that spirit of demagogy which can see wrong only when committed by the man of wealth, and is dumb and blind in the presence of wrong committed against men of property or by men of no property, is exactly as evil as corruptly to defend the wrongdoing of men of wealth. The war we wage must be waged against misconduct, against wrongdoing wherever it is found; and we must stand heartily for the rights of every decent man, whether he be a man of great wealth or a man who earns his livelihood as a wage-worker or a tiller of the soil.

It is to the interest of all of us that there should be a premium put upon individual initiative and individual capacity, and an ample reward for the great directing intelligences alone competent to manage the great business operations of to-day. It is well to keep in mind that exactly as the anarchist is the worst enemy of liberty and the reactionary the worst enemy of order, so the men who defend the rights of property have most to fear from the wrongdoers of great wealth, and the men who are championing popular rights have most to fear from the demagogues who in the name of popular rights would do wrong to and oppress honest business men, honest men of wealth; for the success of either type of wrongdoer necessarily invites a violent reaction against the cause the wrongdoer nominally upholds. In point of danger to the Nation there is nothing to choose between on the one hand the corruptionist, the bribe-giver, the bribe-taker, the man who employs his great talent to swindle his fellow-citizens on a large scale, and, on the other hand, the preacher of class hatred, the man who, whether from ignorance or from willingness to sacrifice his country to his ambition, persuades well-meaning but wrong-headed men to try to destroy the instruments upon which our prosperity mainly rests. Let each group of men beware of and guard against the shortcomings to which that group is itself most liable. Too often we see the business community in a spirit of unhealthy class consciousness deplore the effort to hold to account under the law the wealthy men who in their management of great corporations, whether railroads, street railways, or other industrial enterprises, have behaved in a way that revolts the conscience of the plain, decent people.

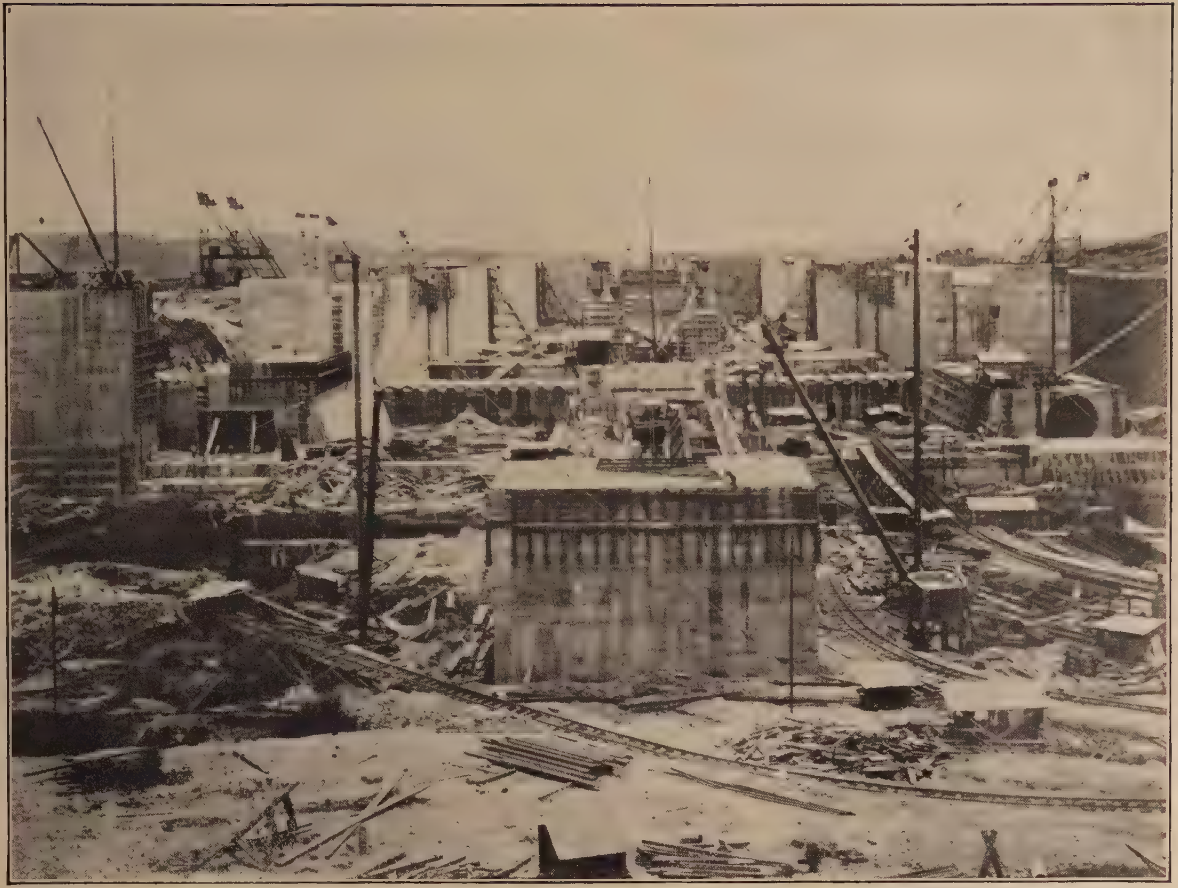
Such an attitude can not be condemned too severely, for men of property should recognize that they jeopardize the rights of property when they fail heartily to join in the effort to do away with the abuses of wealth. On the other hand, those who advocate proper control on behalf of the public, through the State, of these great corporations, and of the wealth engaged on a giant scale in business operations, must ever keep in mind that unless they do scrupulous justice to the corporation, unless they permit ample profit, and cordially encourage capable men of business so long as they act with honesty, they are striking at the root of our national wellbeing; for in the long run, under the mere pressure of material distress, the people as a whole would probably go back to the reign of an unrestricted individualism rather than submit to a control by the State so drastic and so foolish, conceived in a spirit of such unreasonable and narrow hostility to wealth, as to prevent business operations from being profitable, and therefore to bring ruin upon the entire business community, and ultimately upon the entire body of citizens.

The opposition to Government control of these great corporations makes its most effective effort in the shape of an appeal to the old doctrine of State's rights. Of course there are many sincere men who now believe in unrestricted individualism in business, just as there were formerly many sincere men who believed in slavery—that is, in the unrestricted right of an individual to own another individual. These men do not by themselves have great weight, however. The effective fight against adequate Government control and supervision of individual, and especially of corporate, wealth engaged in interstate business is chiefly done under cover; and especially under cover of an appeal to State's rights. It is not at all infrequent to read in the same speech a denunciation of predatory wealth fostered by special privilege and defiant of both the public welfare and law of the land, and a denunciation of centralization in the Central Government of the power to deal with this centralized and organized wealth. Of course the policy set forth in such twin denunciations amounts to absolutely nothing, for the first half is nullified by the second half. The chief reason, among the many sound and compelling reasons, that led to the formation of the National Government was the absolute need that the Union, and not the several States, should deal with interstate and foreign commerce; and the power to deal with interstate commerce was granted absolutely and plenarily to the Central Government and was exercised completely as regards the only instruments of interstate commerce known in those days—the waterways, the highroads, as well as the partnerships of individuals who then conducted all of what business there was. Interstate commerce is now chiefly conducted by railroads; and the great corporation has supplanted the mass of small partnerships or individuals. The proposal to make the National Government supreme over, and therefore to give it complete control over, the railroads and other instruments of interstate commerce is merely a proposal to carry out to the letter one of the prime purposes, if not the prime purpose, for which the Constitution was founded. It does not represent centralization. It represents merely the acknowledgment of the patent fact that centralization has already come in business. If this irresponsible outside business power is to be controlled in the interest of the general public it can only be controlled in one way—by giving adequate power of control to the one sovereignty capable of exercising such power—the National Government. Forty or fifty separate state governments can not exercise that power over corporations doing business in most or all of them; first, because they absolutely lack the authority to deal with interstate business in any form; and second, because of the inevitable conflict of authority sure to arise in the effort to enforce different kinds of state regulation, often inconsistent with one another and sometimes oppressive in themselves. Such divided authority can not regulate commerce with wisdom and effect. The Central Government is the only power which, without oppression, can nevertheless thoroughly and adequately control and supervise the large corporations. To abandon the effort for National control means to abandon the effort for all adequate control and yet to render likely continual bursts of action by State legislatures, which can not achieve the purpose sought for, but which can do a great deal of damage to the corporation without conferring any real benefit on the public.

I believe that the more farsighted corporations are themselves coming to recognize the unwisdom of the violent hostility they have displayed during the last few years to regulation and control by the National Government of combinations engaged in interstate business. The truth is that we who believe in this movement of asserting and exercising a genuine control, in the public interest, over these great corporations have to contend against two sets of enemies, who, though nominally opposed to one another, are really allies in preventing a proper solution of the problem. There are, first, the big corporation men, and the extreme individualists among business men, who genuinely believe in utterly unregulated business—that is, in the reign of plutocracy; and, second, the men who, being blind to the economic movements of the day, believe in a movement of repression rather than of regulation of corporations, and who denounce both the power of the railroads and the exercise of the Federal power which alone can really control the railroads. Those who believe in efficient national control, on the other hand, do not in the least object to combinations; do not in the least object to concentration in business administration. On the contrary, they favor both, with the all important proviso that there shall be such publicity about their workings, and such thoroughgoing control over them, as to insure their being in the interest, and not against the interest, of the general public. We do not object to the concentration of wealth and administration; but we do believe in the distribution of the wealth in profits to the real owners, and in securing to the public the full benefit of the concentrated administration. We believe that with concentration in administration there can come both the advantage of a larger ownership and of a more equitable distribution of profits, and at the same time a better service to the commonwealth. We believe that the administration should be for the benefit of the many; and that greed and rascality, practiced on a large scale, should be punished as relentlessly as if practiced on a small scale.

We do not for a moment believe that the problem will be solved by any short and easy method. The solution will come only by pressing various concurrent remedies. Some of these remedies must lie outside the domain of all government. Some must lie outside the domain of the Federal Government. But there is legislation which the Federal Government alone can enact and which is absolutely vital in order to secure the attainment of our purpose. Many laws are needed. There should be regulation by the National Government of the great interstate corporations, including a simple method of account keeping, publicity, supervision of the issue of securities, abolition of rebates, and of special privileges. There should be short time franchises for all corporations engaged in public business; including the corporations which get power from water rights. There should be National as well as State guardianship of mines and forests. The labor legislation hereinafter referred to should concurrently be enacted into law.

To accomplish this, means of course a certain increase in the use of—not the creation of—power, by the Central Government. The power already exists; it does not have to be created; the only question is whether it shall be used or left idle—and meanwhile the corporations over which the power ought to be exercised will not remain idle. Let those who object to this increase in the use of the only power available, the national power, be frank, and admit openly that they propose to abandon any effort to control the great business corporations and to exercise supervision over the accumulation and distribution of wealth; for such supervision and control can only come through this particular kind of increase of power. We no more believe in that empiricism which demands absolutely unrestrained individualism than we do in that empiricism which clamors for a deadening socialism which would destroy all individual initiative and would ruin the country with a completeness that not even an unrestrained individualism itself could achieve.



PANAMA CANAL: UPPER LOCK AND FOREBAY, GATUN DAM, FEBRUARY 16, 1911

THE PANAMA CANAL

The commencement of the task of constructing the Panama Canal was the most important event of Roosevelt's Administration. The history of the undertaking is written by Roosevelt himself on pages 6662, 6758, 6881, 6901, 7401, 7480, 7611, 7648, 7667, 7685 and 7728. The message commencing on page 7685 describes his visit of inspection to the canal zone. President Taft continued the narrative, pages 7750, 7754, 7803, 7863 and 7898. The reader who desires a brief recital of the facts should refer to the article entitled "Panama Canal" in the encyclopedic index (volume eleven). The index references following this article will enable the reader to glean a complete and authentic knowledge of the subject from the messages of the Presidents, from Jackson to Taft, who have discussed the project.

The danger to American democracy lies not in the least in the concentration of administrative power in responsible and accountable hands. It lies in having the power insufficiently concentrated, so that no one can be held responsible to the people for its use. Concentrated power is palpable, visible, responsible, easily reached, quickly held to account. Power scattered through many administrators, many legislators, many men who work behind and through legislators and administrators, is impalpable, is unseen, is irresponsible, can not be reached, can not be held to account. Democracy is in peril wherever the administration of political power is scattered among a variety of men who work in secret, whose very names are unknown to the common people. It is not in peril from any man who derives authority from the people, who exercises it in sight of the people, and who is from time to time compelled to give an account of its exercise to the people.

LABOR.

There are many matters affecting labor and the status of the wage-worker to which I should like to draw your attention, but an exhaustive discussion of the problem in all its aspects is not now necessary. This administration is nearing its end; and, moreover, under our form of government the solution of the problem depends upon the action of the States as much as upon the action of the Nation. Nevertheless, there are certain considerations which I wish to set before you, because I hope that our people will more and more keep them in mind. A blind and ignorant resistance to every effort for the reform of abuses and for the readjustment of society to modern industrial conditions represents not true conservatism, but an incitement to the wildest radicalism; for wise radicalism and wise conservatism go hand in hand, one bent on progress, the other bent on seeing that no change is made unless in the right direction. I believe in a steady effort, or perhaps it would be more accurate to say in steady efforts in many different directions, to bring about a condition of affairs under which the men who work with hand or with brain, the laborers, the superintendents, the men who produce for the market and the men who find a market for the articles produced, shall own a far greater share than at present of the wealth they produce, and be enabled to invest it in the tools and instruments by which all work is carried on. As far as possible I hope to see a frank recognition of the advantages conferred by machinery, organization, and division of labor, accompanied by an effort to bring about a larger share in the ownership by wage-worker of railway, mill and factory. In farming, this simply means that we wish to see the farmer own his own land; we do not wish to see the farms so large that they become the property of absentee landlords who farm them by tenants, nor yet so small that the farmer becomes like a European peasant. Again, the depositors in our savings banks now number over one-tenth of our entire population. These are all capitalists, who through the savings banks loan their money to the workers—that is, in many cases to themselves—to carry on their various industries. The more we increase their number, the more we introduce the principles of cooperation into our industry. Every increase in the number of small stockholders in corporations is a good thing, for the same reasons; and where the employees are the stockholders the result is particularly good. Very much of this movement must be outside of anything that can be accomplished by legislation; but legislation can do a good deal. Postal savings banks will make it easy for the poorest to keep their savings in absolute safety. The regulation of the national highways must be such that they shall serve all people with equal justice. Corporate finances must be supervised so as to make it far safer than at present for the man of small means to invest his money in stocks. There must be prohibition of child labor, diminution of woman labor, shortening of hours of all mechanical labor; stock watering should be prohibited, and stock gambling so far as is possible discouraged. There should be a progressive inheritance tax on large fortunes. Industrial education should be encouraged. As far as possible we should lighten the burden of taxation on the small man. We should put a premium upon thrift, hard work, and business energy; but these qualities cease to be the main factors in accumulating a fortune long before that fortune reaches a point where it would be seriously affected by any inheritance tax such as I propose. It is eminently right that the Nation should fix the terms upon which the great fortunes are inherited. They rarely do good and they often do harm to those who inherit them in their entirety.

PROTECTION FOR WAGEWORKERS.

The above is the merest sketch, hardly even a sketch in outline, of the reforms for which we should work. But there is one matter with which the Congress should deal at this session. There should no longer be any paltering with the question of taking care of the wageworkers who, under our present industrial system, become killed, crippled, or worn out as part of the regular incidents of a given business. The majority of wageworkers must have their rights secured for them by State action; but the National Government should legislate in thoroughgoing and far-reaching fashion not only for all employees of the National Government, but for all persons engaged in interstate commerce. The object sought for could be achieved to a measurable degree, as far as those killed or crippled are concerned, by proper employers' liability laws. As far as concerns those who have been worn out, I call your attention to the fact that definite steps toward providing old-age pensions have been taken in many of our private industries. These may be indefinitely extended through voluntary association and contributory schemes, or through the agency of savings banks, as under the recent Massachusetts plan. To strengthen these practical measures should be our immediate duty; it is not at present necessary to consider the larger and more general governmental schemes that most European governments have found themselves obliged to adopt.

Our present system, or rather no system, works dreadful wrong, and is of benefit to only one class of people—the lawyers. When a workman is injured what he needs is not an expensive and doubtful lawsuit, but the certainty of relief through immediate administrative action. The number of accidents which result in the death or crippling of wageworkers, in the Union at large, is simply appalling; in a very few years it runs up a total far in excess of the aggregate of the dead and wounded in any modern war. No academic theory about "freedom of contract" or "constitutional liberty to contract" should be permitted to interfere with this and similar movements. Progress in civilization has everywhere meant a limitation and regulation of contract. I call your especial attention to the bulletin of the Bureau of Labor which gives a statement of the methods of treating the unemployed in European countries, as this is a subject which in Germany, for instance, is treated in connection with making provision for worn-out and crippled workmen.

Pending a thoroughgoing investigation and action there is certain legislation which should be enacted at once. The law, passed at the last session of the Congress, granting compensation to certain classes of employees of the Government, should be extended to include all employees of the Government and should be made more liberal in its terms. There is no good ground for the distinction made in the law between those engaged in hazardous occupations and those not so engaged. If a man is injured or killed in any line of work, it was hazardous in his case. Whether 1 per cent or 10 per cent of those following a given occupation actually suffer injury or death ought not to have any bearing on the question of their receiving compensation. It is a grim logic which says to an injured employee or to the dependents of one killed that he or they are entitled to no compensation because very few people other than he have been injured or killed in that occupation. Perhaps one of the most striking omissions in the law is that it does not embrace peace officers and others whose lives may be sacrificed in enforcing the laws of the United States. The terms of the act providing compensation should be made more liberal than in the present act. A year's compensation is not adequate for a wage-earner's family in the event of his death by accident in the course of his employment. And in the event of death occurring, say, ten or eleven months after the accident, the family would only receive as compensation the equivalent of one or two months' earnings. In this respect the generosity of the United States towards its employees compares most unfavorably with that of every country in Europe—even the poorest.

The terms of the act are also a hardship in prohibiting payment in cases where the accident is in any way due to the negligence of the employee. It is inevitable that daily familiarity with danger will lead men to take chances that can be construed into negligence. So well is this recognized that in practically all countries in the civilized world, except the United States, only a great degree of negligence acts as a bar to securing compensation. Probably in no other respect is our legislation, both State and National, so far behind practically the entire civilized world as in the matter of liability and compensation for accidents in industry. It is humiliating that at European international congresses on accidents the United States should be singled out as the most belated among the nations in respect to employers' liability legislation. This Government is itself a large employer of labor, and in its dealings with its employees it should set a standard in this country which would place it on a par with the most progressive countries in Europe. The laws of the United States in this respect and the laws of European countries have been summarized in a recent Bulletin of the Bureau of Labor, and no American who reads this summary can fail to be struck by the great contrast between our practices and theirs—a contrast not in any sense to our credit.

The Congress should without further delay pass a model employers' liability law for the District of Columbia. The employers' liability act recently declared unconstitutional, on account of apparently including in its provisions employees engaged in intrastate commerce as well as those engaged in interstate commerce, has been held by the local courts to be still in effect so far as its provisions apply to the District of Columbia. There should be no ambiguity on this point. If there is any doubt on the subject, the law should be reenacted with special reference to the District of Columbia. This act, however, applies only to employees of common carriers. In all other occupations the liability law of the District is the old common law. The severity and injustice o fthe common law in this matter has been in some degree or another modified in the majority of our States, and the only jurisdiction under the exclusive control of the Congress should be ahead and not behind the States of the Union in this respect. A comprehensive employers' liability law should be passed for the District of Columbia.

I renew my recommendation made in a previous message that half-holidays be granted during summer to all wageworkers in Government employ.

I also renew my recommendation that the principle of the eight-hour day should as rapidly and as far as practicable be extended to the entire work being carried on by the Government; the present law should be amended to embrace contracts on those public works which the present wording of the act seems to exclude.

THE COURTS.

I most earnestly urge upon the Congress the duty of increasing the totally inadequate salaries now given to our Judges. On the whole there is no body of public servants who do as valuable work, nor whose moneyed reward is so inadequate compared to their work. Beginning with the Supreme Court, the Judges should have their salaries doubled. It is not befitting the dignity of the Nation that its most honored public servants should be paid sums so small compared to what they would earn in private life that the performance of public service by them implies an exceedingly heavy pecuniary sacrifice.

It is earnestly to be desired that some method should be devised for doing away with the long delays which now obtain in the administration of justice, and which operate with peculiar severity against persons of small means, and favor only the very criminals whom it is most desirable to punish. These long delays in the final decisions of cases make in the aggregate a crying evil; and a remedy should be devised. Much of this intolerable delay is due to improper regard paid to technicalities which are a mere hindrance to justice. In some noted recent cases this over-regard for technicalities has resulted in a striking denial of justice, and flagrant wrong to the body politic.

At the last election certain leaders of organized labor made a violent and sweeping attack upon the entire judiciary of the country, an attack couched in such terms as to include the most upright, honest and broad-minded judges, no less than those of narrower mind and more restricted outlook. It was the kind of attack admirably fitted to prevent any successful attempt to reform abuses of the judiciary, because it gave the champions of the unjust judge their eagerly desired opportunity to shift their ground into a championship of just judges who were unjustly assailed. Last year, before the House Committee on the Judiciary, these same labor leaders formulated their demands, specifying the bill that contained them, refusing all compromise, stating they wished the principle of that bill or nothing. They insisted on a provision that in a labor dispute no injunction should issue except to protect a property right, and specifically provided that the right to carry on business should not be construed as a property right; and in a second provision their bill made legal in a labor dispute any act or agreement by or between two or more persons that would not have been unlawful if done by a single person. In other words, this bill legalized blacklisting and boycotting in every form, legalizing, for instance, those forms of the secondary boycott which the anthracite coal strike commission so unreservedly condemned; while the right to carry on a business was explicitly taken out from under that protection which the law throws over property. The demand was made that there should be trial by jury in contempt cases, thereby most seriously impairing the authority of the courts. All this represented a course of policy which, if carried out, would mean the enthronement of class privilege in its crudest and most brutal form, and the destruction of one of the most essential functions of the judiciary in all civilized lands.

The violence of the crusade for this legislation, and its complete failure, illustrate two truths which it is essential our people should learn. In the first place, they ought to teach the workingman, the laborer, the wageworker, that by demanding what is improper and impossible he plays into the hands of his foes. Such a crude and vicious attack upon the courts, even if it were temporarily successful, would inevitably in the end cause a violent reaction and would band the great mass of citizens together, forcing them to stand by all the judges, competent and incompetent alike, rather than to see the wheels of justice stopped. A movement of this kind can ultimately result in nothing but damage to those in whose behalf it is nominally undertaken. This is a most healthy truth, which it is wise for all our people to learn. Any movement based on that class hatred which at times assumes the name of "class consciousness" is certain ultimately to fail, and if it temporarily succeeds, to do far-reaching damage. "Class consciousness," where it is merely another name for the odious vice of class selfishness, is equally noxious whether in an employer's association or in a workingman's association. The movement in question was one in which the appeal was made to all workingmen to vote primarily, not as American citizens, but as individuals of a certain class in society. Such an appeal in the first place revolts the more high-minded and far-sighted among the persons to whom it is addressed, and in the second place tends to arouse a strong antagonism among all other classes of citizens, whom it therefore tends to unite against the very organization on whose behalf it is issued. The result is therefore unfortunate from every standpoint. This healthy truth, by the way, will be learned by the socialists if they ever succeed in establishing in this country an important national party based on such class consciousness and selfish class interest.

The wageworkers, the workingmen, the laboring men of the country, by the way in which they repudiated the effort to get them to cast their votes in response to an appeal to class hatred, have emphasized their sound patriotism and Americanism. The whole country has cause to feel pride in this attitude of sturdy independence, in this uncompromising insistence upon acting simply as good citizens, as good Americans, without regard to fancied—and improper—class interests. Such an attitude is an object-lesson in good citizenship to the entire nation.

But the extreme reactionaries, the persons who blind themselves to the wrongs now and then committed by the courts on laboring men, should also think seriously as to what such a movement as this portends. The judges who have shown themselves able and willing effectively to check the dishonest activity of the very rich man who works iniquity by the mismanagement of corporations, who have shown themselves alert to do justice to the wageworker, and sympathetic with the needs of the mass of our people, so that the dweller in the tenement houses, the man who practices a dangerous trade, the man who is crushed by excessive hours of labor, feel that their needs are understood by the courts—these judges are the real bulwark of the courts; these judges, the judges of the stamp of the President-elect, who have been fearless in opposing labor when it has gone wrong, but fearless also in holding to strict account corporations that work iniquity, and far-sighted in seeing that the workingman gets his rights, are the men of all others to whom we owe it that the appeal for such violent and mistaken legislation has fallen on deaf ears, that the agitation for its passage proved to be without substantial basis. The courts are jeopardized primarily by the action of those Federal and State judges who show inability or unwillingness to put a stop to the wrongdoing of very rich men under modern industrial conditions, and inability or unwillingness to give relief to men of small means or wageworkers who are crushed down by these modern industrial conditions; who, in other words, fail to understand and apply the needed remedies for the new wrongs produced by the new and highly complex social and industrial civilization which has grown up in the last half century.

The rapid changes in our social and industrial life which have attended this rapid growth have made it necessary that, in applying to concrete cases the great rule of right laid down in our Constitution, there should be a full understanding and appreciation of the new conditions to which the rules are to be applied. What would have been an infringement upon liberty half a century ago may be the necessary safeguard of liberty to-day. What would have been an injury to property then may be necessary to the enjoyment of property now. Every judicial decision involves two terms—one, as interpretation of the law; the other, the understanding of the facts to which it is to be applied. The great mass of our judicial officers are, I believe, alive to those changes of conditions which so materially affect the performance of their judicial duties. Our judicial system is sound and effective at core, and it remains, and must ever be maintained, as the safeguard of those principles of liberty and justice which stand at the foundation of American institutions; for, as Burke finely said, when liberty and justice are separated, neither is safe. There are, however, some members of the judicial body who have lagged behind in their understanding of these great and vital changes in the body politic, whose minds have never been opened to the new applications of the old principles made necessary by the new conditions. Judges of this stamp do lasting harm by their decisions, because they convince poor men in need of protection that the courts of the land are profoundly ignorant of and out of sympathy with their needs, and profoundly indifferent or hostile to any proposed remedy. To such men it seems a cruel mockery to have any court decide against them on the ground that it desires to preserve "liberty" in a purely technical form, by withholding liberty in any real and constructive sense. It is desirable that the legislative body should possess, and wherever necessary exercise, the power to determine whether in a given case employers and employees are not on an equal footing, so that the necessities of the latter compel them to submit to such exactions as to hours and conditions of labor as unduly to tax their strength; and only mischief can result when such determination is upset on the ground that there must be no "interference with the liberty to contract"—often a merely academic "liberty," the exercise of which is the negation of real liberty.

There are certain decisions by various courts which have been exceedingly detrimental to the rights of wageworkers. This is true of all the decisions that decide that men and women are, by the Constitution, "guaranteed their liberty" to contract to enter a dangerous occupation, or to work an undesirable or improper number of hours, or to work in unhealthy surroundings; and therefore can not recover damages when maimed in that occupation and can not be forbidden to work what the legislature decides is an excessive number of hours, or to carry on the work under conditions which the legislature decides to be unhealthy. The most dangerous occupations are often the poorest paid and those where the hours of work are longest; and in many cases those who go into them are driven by necessity so great that they have practically no alternative. Decisions such as those alluded to above nullify the legislative effort to protect the wageworkers who most need protection from those employers who take advantage of their grinding need. They halt or hamper the movement for securing better and more equitable conditions of labor. The talk about preserving to the misery-hunted beings who make contracts for such service their "liberty" to make them, is either to speak in a spirit of heartless irony or else to show an utter lack of knowledge of the conditions of life among the great masses of our fellow-countrymen, a lack which unfits a judge to do good service just as it would unfit any executive or legislative officer.

There is also, I think, ground for the belief that substantial injustice is often suffered by employees in consequence of the custom of courts issuing temporary injunctions without notice to them, and punishing them for contempt of court in instances where, as a matter of fact, they have no knowledge of any proceedings. Outside of organized labor there is a widespread feeling that this system often works great injustice to wageworkers when their efforts to better their working condition result in industrial disputes. A temporary injunction procured ex parte may as a matter of fact have all the effect of a permanent injunction in causing disaster to the wageworkers' side in such a dispute. Organized labor is chafing under the unjust restraint which comes from repeated resort to this plan of procedure. Its discontent has been unwisely expressed, and often improperly expressed, but there is a sound basis for it, and the orderly and law-abiding people of a community would be in a far stronger position for upholding the courts if the undoubtedly existing abuses could be provided against.

Such proposals as those mentioned above as advocated by the extreme labor leaders contain the vital error of being class legislation of the most offensive kind, and even if enacted into law I believe that the law would rightly be held unconstitutional. Moreover, the labor people are themselves now beginning to invoke the use of the power of injunction. During the last ten years, and within my own knowledge, at least fifty injunctions have been obtained by labor unions in New York City alone, most of them being to protect the union label (a "property right"), but some being obtained for other reasons against employers. The power of injunction is a great equitable remedy, which should on no account be destroyed. But safeguards should be erected against its abuse. I believe that some such provisions as those I advocated a year ago for checking the abuse of the issuance of temporary injunctions should be adopted. In substance, provision should be made that no injunction or temporary restraining order issue otherwise than on notice, except where irreparable injury would otherwise result; and in such case a hearing on the merits of the order should be had within a short fixed period, and, if not then continued after hearing, it should forthwith lapse. Decisions should be rendered immediately, and the chance of delay minimized in every way. Moreover, I believe that the procedure should be sharply defined, and the judge required minutely to state the particulars both of his action and of his reasons therefor, so that the Congress can, if it desires, examine and investigate the same.

The chief lawmakers in our country may be, and often are, the judges, because they are the final seat of authority. Every time they interpret contract, property, vested rights, due process of law, liberty, they necessarily enact into law parts of a system of social philosophy; and as such interpretation is fundamental, they give direction to all law-making. The decisions of the courts on economic and social questions depend upon their economic and social philosophy; and for the peaceful progress of our people during the twentieth century we shall owe most to those judges who hold to a twentieth century economic and social philosophy and not to a long outgrown philosophy, which was itself the product of primitive economic conditions. Of course a judge's views on progressive social philosophy are entirely second in importance to his possession of a high and fine character; which means the possession of such elementary virtues as honesty, courage, and fairmindedness. The judge who owes his election to pandering to demagogic sentiments or class hatreds and prejudices, and the judge who owes either his election or his appointment to the money or the favor of a great corporation, are alike unworthy to sit on the bench, are alike traitors to the people; and no profundity of legal learning, or correctness of abstract conviction on questions of public policy, can serve as an offset to such shortcomings. But it is also true that judges, like executives and legislators, should hold sound views on the questions of public policy which are of vital interest to the people.

The legislators and executives are chosen to represent the people in enacting and administering the laws. The judges are not chosen to represent the people in this sense. Their function is to interpret the laws. The legislators are responsible for the laws; the judges for the spirit in which they interpret and enforce the laws. We stand aloof from the reckless agitators who would make the judges mere pliant tools of popular prejudice and passion; and we stand aloof from those equally unwise partisans of reaction and privilege who deny the proposition that, inasmuch as judges are chosen to serve the interests of the whole people, they should strive to find out what those interests are, and, so far as they conscientiously can, should strive to give effect to popular conviction when deliberately and duly expressed by the lawmaking body. The courts are to be highly commended and staunchly upheld when they set their faces against wrongdoing or tyranny by a majority; but they are to be blamed when they fail to recognize under a government like ours the deliberate judgment of the majority as to a matter of legitimate policy, when duly expressed by the legislature. Such lawfully expressed and deliberate judgment should be given effect by the courts, save in the extreme and exceptional cases where there has been a clear violation of a constitutional provision. Anything like frivolity or wantonness in upsetting such clearly taken governmental action is a grave offense against the Republic. To protest against tyranny, to protect minorities from oppression, to nullify an act committed in a spasm of popular fury, is to render a service to the Republic. But for the courts to arrogate to themselves functions which properly belong to the legislative bodies is all wrong, and in the end works mischief. The people should not be permitted to pardon evil and slipshod legislation on the theory that the court will set it right; they should be taught that the right way to get rid of a bad law is to have the legislature repeal it, and not to have the courts by ingenious hairsplitting nullify it. A law may be unwise and improper; but it should not for these reasons be declared unconstitutional by a strained interpretation, for the result of such action is to take away from the people at large their sense of responsibility and ultimately to destroy their capacity for orderly self restraint and self government. Under such a popular government as ours, founded on the theory that in the long run the will of the people is supreme, the ultimate safety of the Nation can only rest in training and guiding the people so that what they will shall be right, and not in devising means to defeat their will by the technicalities of strained construction.

For many of the shortcomings of justice in our country our people as a whole are themselves to blame, and the judges and juries merely bear their share together with the public as a whole. It is discreditable to us as a people that there should be difficulty in convicting murderers, or in bringing to justice men who as public servants have been guilty of corruption, or who have profited by the corruption of public servants. The result is equally unfortunate, whether due to hairsplitting technicalities in the interpretation of law by judges, to sentimentality and class consciousness on the part of juries, or to hysteria and sensationalism in the daily press. For much of this failure of justice no responsibility whatever lies on rich men as such. We who make up the mass of the people can not shift the responsibility from our own shoulders. But there is an important part of the failure which has specially to do with inability to hold to proper account men of wealth who behave badly.

The chief breakdown is in dealing with the new relations that arise from the mutualism, the interdependence of our time. Every new social relation begets a new type of wrongdoing—of sin, to use an old-fashioned word—and many years always elapse before society is able to turn this sin into crime which can be effectively punished at law. During the lifetime of the older men now alive the social relations have changed far more rapidly than in the preceding two centuries. The immense growth of corporations, of business done by associations, and the extreme strain and pressure of modern life, have produced conditions which render the public confused as to who its really dangerous foes are; and among the public servants who have not only shared this confusion, but by some of their acts have increased it, are certain judges. Marked inefficiency has been shown in dealing with corporations and in re-settling the proper attitude to be taken by the public not only towards corporations, but towards labor and towards the social questions arising out of the factory system and the enormous growth of our great cities.

The huge wealth that has been accumulated by a few individuals of recent years, in what has amounted to a social and industrial revolution, has been as regards some of these individuals made possible only by the improper use of the modern corporation. A certain type of modern corporation, with its officers and agents, its many issues of securities, and its constant consolidation with allied undertakings, finally becomes an instrument so complex as to contain a greater number of elements that, under various judicial decisions, lend themselves to fraud and oppression than any device yet evolved in the human brain. Corporations are necessary instruments of modern business. They have been permitted to become a menace largely because the governmental representatives of the people have worked slowly in providing for adequate control over them.

The chief offender in any given case may be an executive, a legislature, or a judge. Every executive head who advises violent, instead of gradual, action, or who advocates ill-considered and sweeping measures of reform (especially if they are tainted with vindictiveness and disregard for the rights of the minority) is particularly blameworthy. The several legislatures are responsible for the fact that our laws are often prepared with slovenly haste and lack of consideration. Moreover, they are often prepared, and still more frequently amended during passage, at the suggestion of the very parties against whom they are afterwards enforced. Our great clusters of corporations, huge trusts and fabulously wealthy multimillionaires, employ the very best lawyers they can obtain to pick flaws in these statutes after their passage; but they also employ a class of secret agents who seek, under the advice of experts, to render hostile legislation innocuous by making it unconstitutional, often through the insertion of what appear on their face to be drastic and sweeping provisions against the interests of the parties inspiring them; while the demagogues, the corrupt creatures who introduce blackmailing schemes to "strike" corporations, and all who demand extreme, and undesirably radical, measures, show themselves to be the worst enemies of the very public whose loud-mouthed champions they profess to be. A very striking illustration of the consequences of carelessness in the preparation of a statute was the employers' liability law of 1906. In the cases arising under that law, four out of six courts of first instance held it unconstitutional; six out of nine justices of the Supreme Court held that its subject-matter was within the province of congressional action; and four of the nine justices held it valid. It was, however, adjudged unconstitutional by a bare majority of the court—five to four. It was surely a very slovenly piece of work to frame the legislation in such shape as to leave the question open at all.

Real damage has been done by the manifold and conflicting interpretations of the interstate commerce law. Control over the great corporations doing interstate business can be effective only if it is vested with full power in an administrative department, a branch of the Federal executive, carrying out a Federal law; it can never be effective if a divided responsibility is left in both the States and the Nation; it can never be effective if left in the hands of the courts to be decided by lawsuits.

The courts hold a place of peculiar and deserved sanctity under our form of government. Respect for the law is essential to the permanence of our institutions; and respect for the law is largely conditioned upon respect for the courts. It is an offense against the Republic to say anything which can weaken this respect, save for the gravest reason and in the most carefully guarded manner. Our judges should be held in peculiar honor; and the duty of respectful and truthful comment and criticism, which should be binding when we speak of anybody, should be especially binding when we speak of them. On an average they stand above any other servants of the community, and the greatest judges have reached the high level held by those few greatest patriots whom the whole country delights to honor. But we must face the fact that there are wise and unwise judges, just as there are wise and unwise executives and legislators. When a president or a governor behaves improperly or unwisely, the remedy is easy, for his term is short; the same is true with the legislator, although not to the same degree, for he is one of many who belong to some given legislative body, and it is therefore less easy to fix his personal responsibility and hold him accountable therefor. With a judge, who, being human, is also likely to err, but whose tenure is for life, there is no similar way of holding him to responsibility. Under ordinary conditions the only forms of pressure to which he is in any way amenable are public opinion and the action of his fellow judges. It is the last which is most immediately effective, and to which we should look for the reform of abuses. Any remedy applied from without is fraught with risk. It is far better, from every standpoint, that the remedy should come from within. In no other nation in the world do the courts wield such vast and far-reaching power as in the United States. All that is necessary is that the courts as a whole should exercise this power with the farsighted wisdom already shown by those judges who scan the future while they act in the present. Let them exercise this great power not only honestly and bravely, but with wise insight into the needs and fixed purposes of the people, so that they may do justice and work equity, so that they may protect all persons in their rights, and yet break down the barriers of privilege, which is the foe of right.

FORESTS.

If there is any one duty which more than another we owe it to our children and our children's children to perform at once, it is to save the forests of this country, for they constitute the first and most important element in the conservation of the natural resources of the country. There are of course two kinds of natural resources. One is the kind which can only be used as part of a process of exhaustion; this is true of mines, natural oil and gas wells, and the like. The other, and of course ultimately by far the most important, includes the resources which can be improved in the process of wise use; the soil, the rivers, and the forests come under this head. Any really civilized nation will so use all of these three great national assets that the nation will have their benefit in the future. Just as a farmer, after all his life making his living from his farm, will, if he is an expert farmer, leave it as an asset of increased value to his son, so we should leave our national domain to our children, increased in value and not worn out. There are small sections of our own country, in the East and the West, in the Adriondacks, the White Mountains, and the Appalachians, and in the Rocky Mountains, where we can already see for ourselves the damage in the shape of permanent injury to the soil and the river systems which comes from reckless deforestation. It matters not whether this deforestation is due to the actual reckless cutting of timber, to the fires that inevitably follow such reckless cutting of timber, or to reckless and uncontrolled grazing, especially by the great migratory bands of sheep, the unchecked wandering of which over the country means destruction to forests and disaster to the small home makers, the settlers of limited means.

Shortsighted persons, or persons blinded to the future by desire to make money in every way out of the present, sometimes speak as if no great damage would be done by the reckless destruction of our forests. It is difficult to have patience with the arguments of these persons. Thanks to our own recklessness in the use of our splendid forests, we have already crossed the verge of a timber famine in this country, and no measures that we now take can, at least for many years, undo the mischief that has already been done. But we can prevent further mischief being done; and it would be in the highest degree reprehensible to let any consideration of temporary convenience or temporary cost interfere with such action, especially as regards the National Forests which the nation can *now,* at this very moment, control.

All serious students of the question are aware of the great damage that has been done in the Mediterranean countries of Europe, Asia, and Africa by deforestation. The similar damage that has been done in Eastern Asia is less well known. A recent investigation into conditions in North China by Mr. Frank N. Meyer, of the Bureau of Plant Industry of the United States Department of Agriculture, has incidentally furnished in very striking fashion proof of the ruin that comes from reckless deforestation of mountains, and of the further fact that the damage once done may prove practically irreparable. So important are these investigations that I herewith attach as an appendix to my message certain photographs showing present conditions in China. They show in vivid fashion the appalling desolation, taking the shape of barren mountains and gravel- and sand-covered plains, which immediately follows and depends upon the deforestation of the mountains. Not many centuries ago the country of northern China was one of the most fertile and beautiful spots in the entire world, and was heavily forested. We know this not only from the old Chinese records, but from the accounts given by the traveler, Marco Polo. He, for instance, mentions that in visiting the provinces of Shansi and Shensi he observed many plantations of mulberry trees. Now there is hardly a single mulberry tree in either of these provinces, and the culture of the silkworm has moved farther south, to regions of atmospheric moisture. As an illustration of the complete change in the rivers, we may take Polo's statement that a certain river, the Hun Ho, was so large and deep that merchants ascended it from the sea with heavily laden boats; today this river is simply a broad sandy bed, with shallow, rapid currents wandering hither and thither across it, absolutely unnavigable. But we do not have to depend upon written records. The dry wells, and the wells with water far below the former watermark, bear testimony to the good days of the past and the evil days of the present. Wherever the native vegetation has been allowed to remain, as, for instance, here and there around a sacred temple or imperial burying ground, there are still huge trees and tangled jungle, fragments of the glorious ancient forests. The thick, matted forest growth formerly covered the mountains to their summits. All natural factors favored this dense forest growth, and as long as it was permitted to exist the plains at the foot of the mountains were among the most fertile on the globe, and the whole country was a garden. Not the slightest effort was made, however, to prevent the unchecked cutting of the trees, or to secure reforestation. Doubtless for many centuries the tree-cutting by the inhabitants of the mountains worked but slowly in bringing about the changes that have now come to pass; doubtless for generations the inroads were scarcely noticeable. But there came a time when the forest had shrunk sufficiently to make each year's cutting a serious matter, and from that time on the destruction proceeded with appalling rapidity; for of course each year of destruction rendered the forest less able to recuperate, less able to resist next year's inroad. Mr. Meyer describes the ceaseless progress of the destruction even now, when there is so little left to destroy. Every morning men and boys go out armed with mattox or axe, scale the steepest mountain sides, and cut down and grub out, root and branch, the small trees and shrubs still to be found. The big trees disappeared centuries ago, so that now one of these is never seen save in the neighborhood of temples, where they are artificially protected; and even here it takes all the watch and care of the tree-loving priests to prevent their destruction. Each family, each community, where there is no common care exercised in the interest of all of them to prevent deforestation, finds its profit in the immediate use of the fuel which would otherwise be used by some other family or some other community. In the total absence of regulation of the matter in the interest of the whole people, each small group is inevitably pushed into a policy of destruction which can not afford to take thought for the morrow. This is just one of those matters which it is fatal to leave to unsupervised individual control. The forest can only be protected by the State, by the Nation; and the liberty of action of individuals must be conditioned upon what the State or Nation determines to be necessary for the common safety.

The lesson of deforestation in China is a lesson which mankind should have learned many times already from what has occurred in other places. Denudation leaves naked soil; then gullying cuts down to the bare rock; and meanwhile the rock-waste buries the bottomlands. When the soil is gone, men must go; and the process does not take long.

This ruthless destruction of the forests in northern China has brought about, or has aided in bringing about, desolation, just as the destruction of the forests in central Asia aid in bringing ruin to the once rich central Asian cities; just as the destruction of the forest in northern Africa helped towards the ruin of a region that was a fertile granary in Roman days. Shortsighted man, whether barbaric, semi-civilized, or what he mistakenly regards as fully civilized, when he has destroyed the forests, has rendered certain the ultimate destruction of the land itself. In northern China the mountains are now such as are shown by the accompanying photographs, absolutely barren peaks. Not only have the forests been destroyed, but because of their destruction the soil has been washed off the naked rock. The terrible consequence is that it is impossible now to undo the damage that has been done. Many centuries would have to pass before soil would again collect, or could be made to collect, in sufficient quantity once more to support the old-time forest growth. In consequence the Mongol Desert is practically extending eastward over northern China. The climate has changed and is still changing. It has changed even within the last half century, as the work of tree destruction has been consummated. The great masses of arboreal vegetation on the mountains formerly absorbed the heat of the sun and sent up currents of cool air which brought the moisture-laden clouds lower and forced them to precipitate in rain a part of their burden of water. Now that there is no vegetation, the barren mountains, scorched by the sun, send up currents of heated air which drive away instead of attracting the rain clouds, and cause their moisture to be disseminated. In consequence, instead of the regular and plentiful rains which existed in these regions of China when the forests were still in evidence, the unfortunate inhabitants of the deforested lands now see their crops wither for lack of rainfall, while the seasons grow more and more irregular; and as the air becomes dryer certain crops refuse longer to grow at all. That everything dries out faster than formerly is shown by the fact that the level of the wells all over the land has sunk perceptibly, many of them having become totally dry. In addition to the resulting agricultural distress, the watercourses have changed. Formerly they were narrow and deep, with an abundance of clear water the year around; for the roots and humus of the forests caught the rainwater and let it escape by slow, regular seepage. They have now become broad, shallow stream beds, in which muddy water trickles in slender currents during the dry seasons, while when it rains there are freshets, and roaring muddy torrents come tearing down, bringing disaster and destruction everywhere. Moreover, these floods and freshets, which diversify the general dryness, wash away from the mountain sides, and either wash away or cover in the valleys, the rich fertile soil which it took tens of thousands of years for Nature to form; and it is lost forever, and until the forests grow again it can not be replaced. The sand and stones from the mountain sides are washed loose and come rolling down to cover the arable lands, and in consequence, throughout this part of China, many formerly rich districts are now sandy wastes, useless for human cultivation and even for pasture. The cities have been of course seriously affected, for the streams have gradually ceased to be navigable. There is testimony that even within the memory of men now living there has been a serious diminution of the rainfall of northeastern China. The level of the Sungari River in northern Manchuria has been sensibly lowered during the last fifty years, at least partly as the result of the indiscriminate cutting of the forests forming its watershed. Almost all the rivers of northern China have become uncontrollable, and very dangerous to the dwellers along their banks, as a direct result of the destruction of the forests. The journey from Pekin to Jehol shows in melancholy fashion how the soil has been washed away from whole valleys, so that they have been converted into deserts.

In northern China this disastrous process has gone on so long and has proceeded so far that no complete remedy could be applied. There are certain mountains in China from which the soil is gone so utterly that only the slow action of the ages could again restore it; although of course much could be done to prevent the still further eastward extension of the Mongolian Desert if the Chinese Government would act at once. The accompanying cuts from photographs show the inconceivable desolation of the barren mountains in which certain of these rivers rise—mountains, be it remembered, which formerly supported dense forests of larches and firs, now unable to produce any wood, and because of their condition a source of danger to the whole country. The photographs also show the same rivers after they have passed through the mountains, the beds having become broad and sandy because of the deforestation of the mountains. One of the photographs shows a caravan passing through a valley. Formerly, when the mountains were forested, it was thickly peopled by prosperous peasants. Now the floods have carried destruction all over the land and the valley is a stony desert. Another photograph shows a mountain road covered with the stones and rocks that are brought down in the rainy season from the mountains which have already been deforested by human hands. Another shows a pebbly river-bed in southern Manchuria where what was once a great stream has dried up owing to the deforestation in the mountains. Only some scrub wood is left, which will disappear within a half century. Yet another shows the effect of one of the washouts, destroying an arable mountain side, these washouts being due to the removal of all vegetation; yet in this photograph the foreground shows that reforestation is still a possibility in places.

What has thus happened in northern China, what has happened in Central Asia, in Palestine, in North Africa, in parts of the Mediterranean countries of Europe, will surely happen in our country if we do not exercise that wise forethought which should be one of the chief marks of any people calling itself civilized. Nothing should be permitted to stand in the way of the preservation of the forests, and it is criminal to permit individuals to purchase a little gain for themselves through the destruction of forests when this destruction is fatal to the wellbeing of the whole country in the future.

INLAND WATERWAYS.

Action should be begun forthwith, during the present session of the Congress, for the improvement of our inland waterways—action which will result in giving us not only navigable but navigated rivers. We have spent hundreds of millions of dollars upon these waterways, yet the traffic on nearly all of them is steadily declining. This condition is the direct result of the absence of any comprehensive and far-seeing plan of waterway improvement. Obviously we can not continue thus to expend the revenues of the Government without return. It is poor business to spend money for inland navigation unless we get it.

Inquiry into the condition of the Mississippi and its principal tributaries reveals very many instances of the utter waste caused by the methods which have hitherto obtained for the so-called "improvement" of navigation. A striking instance is supplied by the "improvement" of the Ohio, which, begun in 1824, was continued under a single plan for half a century. In 1875 a new plan was adopted and followed for a quarter of a century. In 1902 still a different plan was adopted and has since been pursued at a rate which only promises a navigable river in from twenty to one hundred years longer.

Such shortsighted, vacillating, and futile methods are accompanied by decreasing water-borne commerce and increasing traffic congestion on land, by increasing floods, and by the waste of public money. The remedy lies in abandoning the methods which have so signally failed and adopting new ones in keeping with the needs and demands of our people.

In a report on a measure introduced at the first session of the present Congress, the Secretary of War said: "The chief defect in the methods hitherto pursued lies in the absence of executive authority for originating comprehensive plans covering the country or natural divisions thereof." In this opinion I heartily concur. The present methods not only fail to give us inland navigation, but they are injurious to the army as well. What is virtually a permanent detail of the corps of engineers to civilian duty necessarily impairs the efficiency of our military establishment. The military engineers have undoubtedly done efficient work in actual construction, but they are necessarily unsuited by their training and traditions to take the broad view, and to gather and transmit to the Congress the commercial and industrial information and forecasts, upon which waterway improvement must always so largely rest. Furthermore, they have failed to grasp the great underlying fact that every stream is a unit from its source to its mouth, and that all its uses are interdependent. Prominent officers of the Engineer Corps have recently even gone so far as to assert in print that waterways are not dependent upon the conservation of the forests about their headwaters. This position is opposed to all the recent work of the scientific bureaus of the Government and to the general experience of mankind. A physician who disbelieved in vaccination would not be the right man to handle an epidemic of smallpox, nor should we leave a doctor skeptical about the transmission of yellow fever by the Stegomyia mosquito in charge of sanitation at Havana or Panama. So with the improvement of our rivers; it is no longer wise or safe to leave this great work in the hands of men who fail to grasp the essential relations between navigation and general development and to assimilate and use the central facts about our streams.

Until the work of river improvement is undertaken in a modern way it can not have results that will meet the needs of this modern nation. These needs should be met without further dilly-dallying or delay. The plan which promises the best and quickest results is that of a permanent commission authorized to coordinate the work of all the Government departments relating to waterways, and to frame and supervise the execution of a comprehensive plan. Under such a commission the actual work of construction might be entrusted to the reclamation service; or to the military engineers acting with a sufficient number of civilians to continue the work in time of war; or it might be divided between the reclamation service and the corps of engineers. Funds should be provided from current revenues if it is deemed wise—otherwise from the sale of bonds. The essential thing is that the work should go forward under the best possible plan, and with the least possible delay. We should have a new type of work and a new organization for planning and directing it. The time for playing with our waterways is past. The country demands results.

NATIONAL PARKS.

I urge that all our National parks adjacent to National forests be placed completely under the control of the forest service of the Agricultural Department, instead of leaving them as they now are, under the Interior Department and policed by the army. The Congress should provide for superintendents with adequate corps of first-class civilian scouts, or rangers, and, further, place the road construction under the superintendent instead of leaving it with the War Department. Such a change in park management would result in economy and avoid the difficulties of administration which now arise from having the responsibility of care and protection divided between different departments. The need for this course is peculiarly great in the Yellowstone Park. This, like the Yosemite, is a great wonderland, and should be kept as a national playground. In both, all wild things should be protected and the scenery kept wholly unmarred.

I am happy to say that I have been able to set aside in various parts of the country small, well-chosen tracts of ground to serve as sanctuaries and nurseries for wild creatures.

DENATURED ALCOHOL.

I had occasion in my message of May 4, 1906, to urge the passage of some law putting alcohol, used in the arts, industries, and manufactures, upon the free list—that is, to provide for the withdrawal free of tax of alcohol which is to be denatured for those purposes. The law of June 7, 1906, and its amendment of March 2, 1907, accomplished what was desired in that respect, and the use of denatured alcohol, as intended, is making a fair degree of progress and is entitled to further encouragement and support from the Congress.

PURE FOOD.

The pure food legislation has already worked a benefit difficult to overestimate.

INDIAN SERVICE.

It has been my purpose from the beginning of my administration to take the Indian Service completely out of the atmosphere of political activity, and there has been steady progress toward that end. The last remaining stronghold of politics in that service was the agency system, which had seen its best days and was gradually falling to pieces from natural or purely evolutionary causes, but, like all such survivals, was decaying slowly in its later stages. It seems clear that its extinction had better be made final now, so that the ground can be cleared for larger constructive work on behalf of the Indians, preparatory to their induction into the full measure of responsible citizenship. On November 1 only eighteen agencies were left on the roster; with two exceptions, where some legal questions seemed to stand temporarily in the way, these have been changed to superintendencies, and their heads brought into the classified civil service.

SECRET SERVICE.

Last year an amendment was incorporated in the measure providing for the Secret Service, which provided that there should be no detail from the Secret Service and no transfer therefrom. It is not too much to say that this amendment has been of benefit only, and could be of benefit only, to the criminal classes. If deliberately introduced for the purpose of diminishing the effectiveness of war against crime it could not have been better devised to this end. It forbade the practices that had been followed to a greater or less extent by the executive heads of various departments for twenty years. To these practices we owe the securing of the evidence which enabled us to drive great lotteries out of business and secure a quarter of a million of dollars in fines from their promoters. These practices have enabled us to get some of the evidence indispensable in order in connection with the theft of government land and government timber by great corporations and by individuals. These practices have enabled us to get some of the evidence indispensable in order to secure the conviction of the wealthiest and most formidable criminals with whom the Government has to deal, both those operating in violation of the anti-trust law and others. The amendment in question was of benefit to no one excepting to these criminals, and it seriously hampers the Government in the detection of crime and the securing of justice. Moreover, it not only affects departments outside of the Treasury, but it tends to hamper the Secretary of the Treasury himself in the effort to utilize the employees of his department so as to best meet the requirements of the public service. It forbids him from preventing frauds upon the customs service, from investigating irregularities in branch mints and assay offices, and has seriously crippled him. It prevents the promotion of employees in the Secret Service, and this further discourages good effort. In its present form the restriction operates only to the advantage of the criminal, of the wrongdoer. The chief argument in favor of the provision was that the Congressmen did not themselves wish to be investigated by Secret Service men. Very little of such investigation has been done in the past; but it is true that the work of the Secret Service agents was partly responsible for the indictment and conviction of a Senator and a Congressman for land frauds in Oregon. I do not believe that it is in the public interest to protect criminally in any branch of the public service, and exactly as we have again and again during the past seven years pprosecuted and convicted such criminals who were in the executive branch of the Government, so in my belief we should be given ample means to prosecute them if found in the legislative branch. But if this is not considered desirable a special exception could be made in the law prohibiting the use of the Secret Service force in investigating members of the Congress. It would be far better to do this than to do what actually was done, and strive to prevent or at least to hamper effective action against criminals by the executive branch of the Government.

POSTAL SAVINGS BANKS.

I again renew my recommendation for postal savings banks, for depositing savings with the security of the Government behind them. The object is to encourage thrift and economy in the wage-earner and person of moderate means. In 14 States the deposits in savings banks as reported to the Comptroller of the Currency amount to $3,590,245,402, or 98.4 per cent of the entire deposits, while in the remaining 32 States there are only $70,308,543, or 1.6 per cent, showing conclusively that there are many localities in the United States where sufficient opportunity is not given to the people to deposit their savings. The result is that money is kept in hiding and unemployed. It is believed that in the aggregate vast sums of money would be brought into circulation through the instrumentality of the postal savings banks. While there are only 1,453 savings banks reporting to the Comptroller there are more than

61,000 post-offices, 40,000 of which are money order offices. Postal savings banks are now in operation in practically all of the great civilized countries with the exception of the United States.

PARCEL POST.

In my last annual message I commended the Postmaster-General's recommendation for an extension of the parcel post on the rural routes. The establishment of a local parcel post on rural routes would be to the mutual benefit of the farmer and the country storekeeper, and it is desirable that the routes, serving more than 15,000,000 people, should be utilized to the fullest practicable extent. An amendment was proposed in the Senate at the last session, at the suggestion of the Postmaster-General, providing that, for the purpose of ascertaining the practicability of establishing a special local parcel post system on the rural routes throughout the United States, the Postmaster-General be authorized and directed to experiment and report to the Congress the result of such experiment by establishing a special local parcel post system on rural delivery routes in not to exceed four counties in the United States for packages of fourth-class matter originating on a rural route or at the distributing post office for delivery by rural carriers. It would seem only proper that such an experiment should be tried in order to demonstrate the practicability of the proposition, especially as the Postmaster-General estimates that the revenue derived from the operation of such a system on all the rural routes would amount to many million dollars.

EDUCATION.

The share that the National Government should take in the broad work of education has not received the attention and the care it rightly deserves. The immediate responsibility for the support and improvement of our educational systems and institutions rests and should always rest with the people of the several States acting through their state and local governments, but the Nation has an opportunity in educational work which must not be lost and a duty which should no longer be neglected.

The National Bureau of Education was established more than forty years ago. Its purpose is to collect and diffuse such information "as shall aid the people of the United States in the establishment and maintenance of efficient school systems and otherwise promote the cause of education throughout the country." This purpose in no way conflicts with the educational work of the States, but may be made of great advantage to the States by giving them the fullest, most accurate, and hence the most helpful information and suggestion regarding the best educational systems. The Nation, through its broader field of activities, its wider opportunity for obtaining information from all the States and from foreign countries, is able to do that which not even the richest States can do, and with the distinct additional advantage that the information thus obtained is used for the immediate benefit of all our people.

With the limited means hitherto provided, the Bureau of Education has rendered efficient service, but the Congress has neglected to adequately supply the bureau with means to meet the educational growth of the country. The appropriations for the general work of the bureau, outside education in Alaska, for the year 1909 are but $87,500—an amount less than they were ten years ago, and some of the important items in these appropriations are less than they were thirty years ago. It is an inexcusable waste of public money to appropriate an amount which is so inadequate as to make it impossible properly to do the work authorized, and it is unfair to the great educational interests of the country to deprive them of the value of the results which can be obtained by proper appropriations.

I earnestly recommend that this unfortunate state of affairs as regards the national educational office be remedied by adequate appropriations. This recommendation is urged by the representatives of our common schools and great state universities and the leading educators, who all unite in requesting favorable consideration and action by the Congress upon this subject.

CENSUS.

I strongly urge that the request of the Director of the Census in connection with the decennial work so soon to be begun be complied with and that the appointments to the census force be placed under the civil service law, waiving the geographical requirements as requested by the Director of the Census. The supervisors and enumerators should not be appointed under the civil service law, for the reasons given by the Director. I commend to the Congress the careful consideration of the admirable report of the Director of the Census, and I trust that his recommendations will be adopted and immediate action thereon taken.

PUBLIC HEALTH

It is highly advisable that there should be intelligent action on the part of the Nation on the question of preserving the health of the country. Through the practical extermination in San Francisco of disease-bearing rodents our country has thus far escaped the bubonic plague. This is but one of the many achievements of American health officers; and it shows what can be accomplished with a better organization than at present exists. The dangers to public health from food adulteration and from many other sources, such as the menace to the physical, mental and moral development of children from child labor, should be met and overcome. There are numerous diseases, which are now known to be preventable, which are, nevertheless, not prevented. The recent International Congress on Tuberculosis has made us painfully aware of the inadequacy of American public health legislation. This Nation can not afford to lag behind in the world-wide battle now being waged by all civilized people with the microscopic foes of mankind, nor ought we longer to ignore the reproach that this Government takes more pains to protect the lives of hogs and of cattle than of human beings.

REDISTRIBUTION OF BUREAUS.

The first legislative step to be taken is that for the concentration of the proper bureaus into one of the existing departments. I therefore urgently recommend the passage of a bill which shall authorize a redistribution of the bureaus which shall best accomplish this end.

GOVERNMENT PRINTING OFFICE.

I recommend that legislation be enacted placing under the jurisdiction of the Department of Commerce and Labor the Government Printing Office. At present this office is under the combined control, supervision, and administrative direction of the President and of the Joint Committee on Printing of the two Houses of the Congress. The advantage of having the 4,069 employees in this office and the expenditure of the $5,761,377.57 appropriated therefor supervised by an executive department is obvious, instead of the present combined supervision.

SOLDIERS' HOMES.

All Soldiers' Homes should be placed under the complete jurisdiction and control of the War Department.

INDEPENDENT BUREAUS AND COMMISSIONS.

Economy and sound business policy require that all existing independent bureaus and commissions should be placed under the jurisdiction of appropriate executive departments. It is unwise from every standpoint, and results only in mischief, to have any executive work done save by the purely executive bodies, under the control of the President; and each such executive body should be under the immediate supervision of a Cabinet Minister.

STATEHOOD.

I advocate the immediate admission of New Mexico and Arizona as States. This should be done at the present session of the Congress. The people of the two Territories have made it evident by their votes that they will not come in as one State. The only alternative is to admit them as two, and I trust that this will be done without delay.

INTERSTATE FISHERIES.

I call the attention of the Congress to the importance of the problem of the fisheries in the interstate waters. On the Great Lakes we are now, under the very wise treaty of April 11th of this year, endeavoring to come to an international agreement for the preservation and satisfactory use of the fisheries of these waters which can not otherwise be achieved. Lake Erie, for example, has the richest fresh water fisheries in the world; but it is now controlled by the statutes of two Nations, four States, and one Province, and in this Province by different ordinances in different counties. All these political divisions work at cross purposes, and in no case can they achieve protection to the fisheries, on the one hand, and justice to the localities and individuals on the other. The case is similar in Puget Sound.

But the problem is quite as pressing in the interstate waters of the United States. The salmon fisheries of the Columbia River are now but a fraction of what they were twenty-five years ago, and what they would be now if the United States Government had taken complete charge of them by intervening between Oregon and Washington. During these twenty-five years the fishermen of each State have naturally tried to take all they could get, and the two legislatures have never been able to agree on joint action of any kind adequate in degree for the protection of the fisheries. At the moment the fishing on the Oregon side is practically closed, while there is no limit on the Washington side of any kind, and no one can tell what the courts will decide as to the very statutes under which this action and non-action result. Meanwhile very few salmon reach the spawning grounds, and probably four years hence the fisheries will amount to nothing; and this comes from a struggle between the associated, or gill-net, fishermen on the one hand, and the owners of the fishing wheels up the river. The fisheries of the Mississippi, the Ohio, and the Potomac are also in a bad way. For this there is no remedy except for the United States to control and legislate for the interstate fisheries as part of the business of interstate commerce. In this case the machinery for scientific investigation and for control already exists in the United States Bureau of Fisheries. In this as in similar problems the obvious and simple rule should be followed of having those matters which no particular State can manage taken in hand by the United States; problems which in the seesaw of conflicting State legislatures are absolutely unsolvable are easy enough for Congress to control.

FISHERIES AND FUR SEALS.

The federal statute regulating interstate traffic in game should be extended to include fish. New federal fish hatcheries should be established. The administration of the Alaskan fur-seal service should be vested in the Bureau of Fisheries.

FOREIGN AFFAIRS.

This Nation's foreign policy is based on the theory that right must be done between nations precisely as between individuals, and in our actions for the last ten years we have in this matter proven our faith by our deeds. We have behaved, and are behaving, towards other nations as in private life an honorable man would behave towards his fellows.

LATIN-AMERICAN REPUBLICS.

The commercial and material progress of the twenty Latin-American Republics is worthy of the careful attention of the Congress. No other section of the world has shown a greater proportionate development of its foreign trade during the last ten years and none other has more special claims on the interest of the United States. It offers to-day probably larger opportunities for the legitimate expansion of our commerce than any other group of countries. These countries will want our products in greatly increased quantities, and we shall correspondingly need theirs. The International Bureau of the American Republics is doing a useful work in making these nations and their resources better known to us, and in acquainting them not only with us as a people and with our purposes towards them, but with what we have to exchange for their goods. It is an international institution supported by all the governments of the two Americas.

PANAMA CANAL.

The work on the Panama Canal is being done with a speed, efficiency and entire devotion to duty which make it a model for all work of the kind. No task of such magnitude has ever before been undertaken by any nation; and no task of the kind has ever been better performed. The men on the isthmus, from Colonel Goethals and his fellow commissioners through the entire list of employees who are faithfully doing their duty, have won their right to the ungrudging respect and gratitude of the American people.

OCEAN MAIL LINERS.

I again recommend the extension of the ocean mail act of 1891 so that satisfactory American ocean mail lines to South America, Asia, the Philippines, and Australiasia may be established. The creation of such steamship lines should be the natural corollary of the voyage of the battle fleet. It should precede the opening of the Panamal Canal. Even under favorable conditions several years must elapse before such lines can be put into operation. Accordingly I urge that the Congress act promptly where foresight already shows that action sooner or later will be inevitable.

HAWAII.

I call particular attention to the Territory of Hawaii. The importance of those islands is apparent, and the need of improving their condition and developing their resources is urgent. In recent years industrial conditions upon the islands have radically changed. The importation of coolie labor has practically ceased, and there is now developing such a diversity in agricultural products as to make possible a change in the land conditions of the Territory, so that an opportunity may be given to the small land owner similar to that on the mainland. To aid these changes, the National Government must provide the necessary harbor improvements on each island, so that the agricultural products can be carried to the markets of the world. The coastwise shipping laws should be amended to meet the special needs of the islands, and the alien contract labor law should be so modified in its application to Hawaii as to enable American and European labor to be brought thither.

We have begun to improve Pearl Harbor for a naval base and to provide the necessary military fortifications for the protection of the islands, but I can not too strongly emphasize the need of appropriations for these purposes of such an amount as will within the shortest possible time make those islands practically impregnable. It is useless to develop the industrial conditions of the islands and establish there bases of supply for our naval and merchant fleets unless we insure, as far as human ingenuity can, their safety from foreign seizure.

One thing to be remembered with all our fortifications is that it is almost useless to make them impregnable from the sea if they are left open to land attack. This is true even of our own coast, but it is doubly true of our insular possessions. In Hawaii, for instance, it is worse than useless to establish a naval station unless we establish it behind fortifications so strong that no landing force can take them save by regular and long-continued siege operations.

THE PHILIPPINES.

Real progress toward self-government is being made in the Philippine Islands. The gathering of a Philippine legislative body and Philippine assembly marks a process absolutely new in Asia, not only as regards Asiatic colonies of European powers but as regards Asiatic possessions of other Asiatic powers; and, indeed, always excepting the striking and wonderful example afforded by the great Empire of Japan, it opens an entirely new departure when compared with anything which has happened among Asiatic powers which are their own masters. Hitherto this Philippine legislature has acted with moderation and self-restraint, and has seemed in practical fashion to realize the eternal truth that there must always be government, and that the only way in which any body of individuals can escape the necessity of being governed by outsiders is to show that they are able to restrain themselves, to keep down wrongdoing and disorder. The Filipino people, through their officials, are therefore making real steps in the direction of self-government. I hope and believe that these steps mark the beginning of a course which will continue till the Filipinos become fit to decide for themselves whether they desire to be an independent nation. But it is well for them (and well also for those Americans who during the past decade have done so much damage to the Filipinos by agitation for an immediate independence for which they were totally unfit) to remember that self-government depends, and must depend, upon the Filipinos themselves. All we can do is to give them the opportunity to develop the capacity for self-government. If we had followed the advice of the foolish doctrinaires who wished us at any time during the last ten years to turn the Filipino people adrift, we should have shirked the plainest possible duty and have inflicted a lasting wrong upon the Filipino people. We have acted in exactly the opposite spirit. We have given the Filipinos constitutional government—a government based upon justice—and we have shown that we have governed them for their good and not for our aggrandizement. At the present time, as during the past ten years, the inexorable logic of facts shows that this government must be supplied by us and not by them. We must be wise and generous; we must help the Filipinos to master the difficult art of self-control, which is simply another name for self-government. But we can not give them self-government save in the sense of governing them so that gradually they may, if they are able, learn to govern themselves. Under the present system of just laws and sympathetic administration, we have every reason to believe that they are gradually acquiring the character which lies at the basis of self-government, and for which, if it be lacking, no system of laws, no paper constitution, will in any wise serve as a substitute. Our people in the Philippines have achieved what may legitimately be called a marvelous success in giving to them a government which marks on the part of those in authority both the necessary understanding of the people and the necessary purpose to serve them disinterestedly and in good faith. I trust that within a generation the time will arrive when the Philippines can decide for themselves whether it is well for them to become independent, or to continue under the protection of a strong and disinterested power, able to guarantee to the islands order at home and protection from foreign invasion. But no one can prophesy the exact date when it will be wise to consider independence as a fixed and definite policy. It would be worse than folly to try to set down such a date in advance, for it must depend upon the way in which the Philippine people themselves develop the power of self-mastery.

PORTO RICO.

I again recommend that American citizenship be conferred upon the people of Porto Rico.

CUBA.

In Cuba our occupancy will cease in about two months' time, the Cubans have in orderly manner elected their own governmental authorities, and the island will be turned over to them. Our occupation on this occasion has lasted a little over two years, and Cuba has thriven and prospered under it. Our earnest hope and one desire is that the people of the island shall now govern themselves with justice, so that peace and order may be secure. We will gladly help them to this end; but I would solemnly warn them to remember the great truth that the only way a people can permanently avoid being governed from without is to show that they both can and will govern themselves from within.

JAPANESE EXPOSITION.

The Japanese Government has postponed until 1917 the date of the great international exposition, the action being taken so as to insure ample time in which to prepare to make the exposition all that it should be made. The American commissioners have visited Japan and the postponement will merely give ampler opportunity for America to be represented at the exposition. Not since the first international exposition has there been one of greater importance than this will be, marking as it does the fiftieth anniversary of the ascension to the throne of the Emperor of Japan. The extraordinary leap to a foremost place among the nations of the world made by Japan during this half century is something unparalleled in all previous history. This exposition will fitly commemorate and signalize the giant progress that has been achieved. It is the first exposition of its kind that has ever been held in Asia. The United States, because of the ancient friendship between the two peoples, because each of us fronts on the Pacific, and because of the growing commercial relations between this country and Asia, takes a peculiar interest in seeing the exposition made a success in every way.

I take this opportunity publicly to state my appreciation of the way in which in Japan, in Australia, in New Zealand, and in all the States of South America, the battle fleet has been received on its practice voyage around the world. The American Government can not too strongly express its appreciation of the abounding and generous hospitality shown our ships in every port they visited.

THE ARMY.

As regards the Army I call attention to the fact that while our junior officers and enlisted men stand very high, the present system of promotion by seniority results in bringing into the higher grades many men of mediocre capacity who have but a short time to serve. No man should regard it as his vested right to rise to the highest rank in the Army any more than in any other profession. It is a curious and by no means creditable fact that there should be so often a failure on the part of the public and its representatives to understand the great need, from the standpoint of the service and the Nation, of refusing to promote respectable, elderly incompetents. The higher places should be given to the most deserving men without regard to seniority; at least seniority should be treated as only one consideration. In the stress of modern industrial competition no business firm could succeed if those responsible for its management were chosen simply on the ground that they were the oldest people in its employment; yet this is the course advocated as regards the Army, and required by law for all grades except those of general officer. As a matter of fact, all of the best officers in the highest ranks of the Army are those who have attained their present position wholly or in part by a process of selection.

The scope of retiring boards should be extended so that they could consider general unfitness to command for any cause, in order to secure a far more rigid enforcement than at present in the elimination of officers for mental, physical or temperamental disabilities. But this plan is recommended only if the Congress does not see fit to provide what in my judgment is far better; that is, for selection in promotion, and for elimination for age. Officers who fail to attain a certain rank by a certain age should be retired—for instance, if a man should not attain field rank by the time he is 45 he should of course be placed on the retired list. General officers should be selected as at present, and one-third of the other promotions should be made by selection, the selection to be made by the President or the Secretary of War from a list of at least two candidates proposed for each vacancy by a board of officers from the arm of the service from which the promotion is to be made. A bill is now before the Congress having for its object to secure the promotion of officers to various grades at reasonable ages through a process of selection, by boards of officers, of the least efficient for retirement with a percentage of their pay depending upon length of service. The bill, although not accomplishing all that should be done, is a long step in the right direction; and I earnestly recommend its passage, or that of a more completely effective measure.

The cavalry arm should be reorganized upon modern lines. This is an arm in which it is peculiarly necessary that the field officers should not be old. The cavalry is much more difficult to form than infantry, and it should be kept up to the maximum both in efficiency and in strength, for it can not be made in a hurry. At present both infantry and artillery are too few in number for our needs. Especial attention should be paid to development of the machine gun. A general service corps should be established. As things are now the average soldier has far too much labor of a nonmilitary character to perform.

NATIONAL GUARD.

Now that the organized militia, the National Guard, has been incorporated with the Army as a part of the national forces, it behooves the Government to do every reasonable thing in its power to perfect its efficiency. It should be assisted in its instruction and otherwise aided more liberally than heretofore. The continuous services of many well-trained regular officers will be essential in this connection. Such officers must be specially trained at service schools best to qualify them as instructors of the National Guard. But the detailing of officers for training at the service schools and for duty with the National Guard entails detaching them from their regiments which are already greatly depleted by detachment of officers for assignment to duties prescribed by acts of the Congress.

A bill is now pending before the Congress creating a number of extra officers in the Army, which if passed, as it ought to be, will enable more officers to be trained as instructors of the National Guard and assigned to that duty. In case of war it will be of the utmost importance to have a large number of trained officers to use for turning raw levies into good troops.

There should be legislation to provide a complete plan for organizing the great body of volunteers behind the Regular Army and National Guard when war has come. Congressional assistance should be given those who are endeavoring to promote rifle practice so that our men, in the services or out of them, may know how to use the rifle. While teams representing the United States won the rifle and revolver championships of the world against all comers in England this year, it is unfortunately true that the great body of our citizens shoot less and less as time goes on. To meet this we should encourage rifle practice among schoolboys, and indeed among all classes, as well as in the military services, by every means in our power. Thus, and not otherwise, may we be able to assist in preserving the peace of the world. Fit to hold our own against the strong nations of the earth, our voice for peace will carry to the ends of the earth. Unprepared, and therefore unfit, we must sit dumb and helpless to defend ourselves, protect others, or preserve peace. The first step—in the direction of preparation to avert war if possible, and to be fit for war if it should come—is to teach our men to shoot.

THE NAVY.

I approve the recommendations of the General Board for the increase of the Navy, calling especial attention to the need of additional destroyers and colliers, and, above all, of the four battleships. It is desirable to complete as soon as possible a squadron of eight battleships of the best existing type. The *North Dakota, Delaware, Florida,* and *Utah* will form the first division of this squadron. The four vessels proposed will form the second division. It will be an improvement on the first, the ships being of the heavy, single caliber, all big gun type. All the vessels should have the same tactical qualities—that is, speed and turning circle—and as near as possible these tactical qualities should be the same as in the four vessels before named now being built.

I most earnestly recommend that the General Board be by law turned into a General Staff. There is literally no excuse whatever for continuing the present bureau organization of the Navy. The Navy should be treated as a purely military organization, and everything should be subordinated to the one object of securing military efficiency. Such military efficiency can only be guaranteed in time of war if there is the most thorough previous preparation in time of peace—a preparation, I may add, which will in all probability prevent any need of war. The Secretary must be supreme, and he should have as his official advisers a body of line officers who should themselves have the power to pass upon and coordinate all the work and all the proposals of the several bureaus. A system of promotion by merit, either by selection or by exclusion, or by both processes, should be introduced. It is out of the question, if the present principle of promotion by mere seniority is kept, to expect to get the best results from the higher officers. Our men come too old, and stay for too short a time, in the high command positions.

Two hospital ships should be provided. The actual experience of the hospital ship with the fleet in the Pacific has shown the invaluable work which such a ship does, and has also proved that it is well to have it kept under the command of a medical officer. As was to be expected, all of the anticipations of trouble from such a command have proved completely baseless. It is as absurd to put a hospital ship under a line officer as it would be to put a hospital on shore under such a command. This ought to have been realized before, and there is no excuse for failure to realize it now.

Nothing better for the Navy from every standpoint has ever occurred than the cruise of the battle fleet around the world. The improvement of the ships in every way has been extraordinary, and they have gained far more experience in battle tactics than they would have gained if they had stayed in the Atlantic waters. The American people have cause for profound gratification, both in view of the excellent condition of the fleet as shown by this cruise, and in view of the improvement the cruise has worked in this already high condition. I do not believe that there is any other service in the world in which the average of character and efficiency in the enlisted men is as high as is now the case in our own. I believe that the same statement can be made as to our officers, taken as a whole; but there must be a reservation made in regard to those in the highest ranks—as to which I have already spoken—and in regard to those who have just entered the service; because we do not now get full benefit from our excellent naval school at Annapolis. It is absurd not to graduate the midshipmen as ensigns; to keep them for two years in such an anomalous position as at present the law requires is detrimental to them and to the service. In the academy itself, every first classman should be required in turn to serve as petty officer and officer; his ability to discharge his duties as such should be a prerequisite to his going into the line, and his success in commanding should largely determine his standing at graduation. The Board of Visitors should be appointed in January, and each member should be required to give at least six days' service, only from one to three days' to be performed during June week, which is the least desirable time for the board to be at Annapolis so far as benefiting the Navy by their observations is concerned.

THEODORE ROOSEVELT.

THE WHITE HOUSE,
Tuesday, December 8, 1908.

REPORT OF SPECIAL COMMITTEE ON PRESIDENT'S MESSAGE RELATING TO THE SECRET SERVICE.

Mr. PERKINS, from the special committee to consider a portion of the annual message of the President, submitted the following

REPORT.

The special committee to consider a portion of the President's annual message submitted a privileged report on the following resolution, recommending its passage:

Whereas the annual message of the President contained the following paragraphs:

"Last year an amendment was incorporated in the measure providing for the Secret Service which provided that there should be no detail from the Secret Service and no transfer therefrom. It is not too much to say that this amendment has been of benefit only, and could be of benefit only, to the criminal classes. If deliberately introduced for the purpose of diminishing the effectiveness of war against crime, it could not have been better devised to this end. It forbade the practices that had been followed to a greater or less extent by the executive heads of various departments for twenty years. To these practices we owe the securing of the evidence which enabled us to drive great lotteries out of business and secure a quarter of a million of dollars in fines from their promoters.

"These practices have enabled us to discover some of the most outrageous frauds in connection with the theft of government land and government timber by great corporations and by individuals. These practices have enabled us to get some of the evidence indispensable in order to secure the conviction of the wealthiest and most formidable criminals with whom the Government has to deal, both those operating in violation of the antitrust law and others. The amendment in question was of benefit to no one excepting to these criminals, and it seriously hampers the Government in the detection of crime and the securing of justice. Moreover, it not only affects departments outside of the Treasury, but it tends to hamper the Secretary of the Treasury himself in the effort to utilize the employees of his department so as to best meet the requirements of the public service. It forbids him from preventing frauds upon the customs service, from investigating irregularities in branch mints and assay offices, and has seriously crippled him. It prevents the promotion of employees in the Secret Service, and this further discourages good effort. In its present form the restriction operates only to the advantage of the criminal, of the wrongdoer.

"The chief argument in favor of the provision was that the Congressmen did not themselves wish to be investigated by Secret Service men. Very little of such investigation has been done in the past; but it is true that the work of the Secret Service agents was partly responsible for the indictment and conviction of a Senator and a Congressman for land frauds in Oregon. I do not believe that it is in the public interest to protect criminals in any branch of the public service, and exactly as we have again and again during the past seven years prosecuted and convicted such criminals who were in the executive branch of the Government, so in my belief we should be given ample means to prosecute them if found in the legislative branch. But if this is not considered desirable a special exception could be made in the law prohibiting the use of the Secret Service force in investigating Members of the Congress. It would be far better to do this than to do what actually was done, and strive to prevent or at least to hamper effective action against criminals by the executive branch of the Government."

Understanding this language to be a reflection on the integrity of its membership, and aware of its own constitutional duty as to its membership, the House in respectful terms called on the President for any information that would justify the language of the message or assist it in its constitutional duty to purge itself of corruption.

The President in his message of January 4 denies that the paragraph of the annual message casts reflections on the integrity of the

House; attributes to the House "an entire failure to understand my message;" declares that he has made no charge of corruption against any Member of this House, and by implication states that he has no proof of corruption on the part of any Member of this House.

Whether the House in its resolution of December 17, 1908, correctly interpreted the meaning of the words used by the President in his annual message, or whether it misunderstood that language as the President implies, will be judged now and in the future according to the accepted interpretations of the English language. This House, charged only with its responsibility to the people of the United States and its obligation to transmit unimpaired to the future the representative institutions inherited from the past, and to preserve its own dignity, must insist on its own capacity to understand the import of the President's language. We consider the language of the President in his message of December 8, 1908, unjustified and without basis of fact, and that it constitutes a breach of the privileges of the House; therefore, be it

Resolved, That the House in the exercise of its constitutional prerogatives declines to consider any communication from any source which is not in its own judgment respectful; and be it further

Resolved, That the special committee and the Committee of the Whole House on the state of the Union be discharged from any consideration of so much of the President's annual message as relates to the Secret Service, and is above set forth, and that the said portion of the message be laid on the table; and be it further

Resolved, That the message of the President sent to the House on January 4, 1909, being unresponsive to the inquiry of the House and constituting an invasion of the privileges of this House by questioning the motives and intelligence of members in the exercise of their constitutional rights and functions, be laid on the table.

SPECIAL MESSAGE.

To the House of Representatives:

I have received the resolution of the House of Representatives of December 17, 1908, running as follows:

"Whereas there was contained in the sundry civil appropriation bill which passed Congress at its last session and became a law a provision in reference to the employment of the Secret Service in the Treasury Department; and

"Whereas in the last annual message of the President of the United States to the two Houses of Congress it was stated in reference to that provision: 'It is not too much to say that this amendment has been of benefit only, and could be of benefit only, to the criminal classes,' and it was further stated, 'The chief argument in favor of the provision was that the Congressmen did not themselves wish to be investigated by Secret Service men,' and it was further stated: 'But if this is not considered desirable a special exception could be made in the law, prohibiting the use of the Secret Service force in investigating Members of Congress. It would be far better to do this than to do what actually was done, and strive to prevent or at least to hamper effective action against criminals by the executive branch of the Government;' and

"Whereas the plain meaning of the above words is that the majority of the Congressmen were in fear of being investigated by Secret Service men and that Congress as a whole was actuated by that motive in enacting the provision in question; and

"Whereas your committee appointed to consider these statements of the President and to report to the House can not find in the hearings before committees nor in the records of the House or Senate any justification of this impeachment of the honor and integrity of the Congress; and

"Whereas your committee would prefer, in order to make an intelligent and comprehensive report, just to the President as well as to the Congress, to have all the information which the President may have to communicate: Now, therefore,

"Be it resolved, That the President be requested to transmit to the House any evidence upon which he based his statements that the 'chief argument in favor of the provision was that the Congressmen did not themselves wish to be investigated by Secret Service men,' and also to transmit to the House any evidence connecting any Member of the House of Representatives of the Sixtieth Congress with corrupt action in his official capacity, and to inform the House whether he has instituted proceedings for the punishment of any such individual by the courts or has reported any such alleged delinquencies to the House of Representatives."

I am wholly at a loss to understand the concluding portion of the resolution. I have made no charges of corruption against Congress nor against any Member of the present House. If I had proof of such corruption affecting any Member of the House in any matter as to which the Federal Government has jurisdiction, action would at once be brought, as was done in the cases of Senators Mitchell and Burton and Representatives Williamson, Herrmann, and Driggs at different times since I have been President. This would simply be doing my duty in the execution and enforcement of the laws without respect to persons. But I do not regard it as within the province or the duties of the President to report to the House "alleged delinquencies" of members or the supposed "corrupt action" of a member "in his official capacity." The membership of the House is by the Constitution placed within the power of the House alone. In the prosecution of criminals and the enforcement of the laws the President must resort to the courts of the United States.

In the third and fourth clauses of the preamble it is stated that the meaning of my words is that "the majority of the Congressmen are in fear of being investigated by Secret Service men" and that "Congress as a whole was actuated by that motive in enacting the provision in question," and that this is an impeachment of the honor and integrity of the Congress. These statements are not, I think, in accordance with the facts. The portion of my message referred to runs as follows:

"Last year an amendment was incorporated in the measure providing for the Secret Service which provided that there should be no detail from the Secret Service and no transfer therefrom. It is not too much to say that this amendment has been of benefit only, and could be of benefit only, to the criminal classes. If deliberately introduced for the purpose of diminishing the effectiveness of war against crime it could not have been better devised to this end. It forbade the practices that had been followed to a greater or less extent by the executive heads of various departments for twenty years. To these practices we owe the securing of the evidence which enabled us to drive great lotteries out of business and secure a quarter of a million of dollars in fines from their promoters. These practices have enabled us to discover some of the most outrageous frauds in connection with the theft of government land and government timber by great corporations and by individuals. These practices have enabled us to get some of the evidence indispensable in order to secure the conviction of the wealthiest and most formidable criminals with whom the Government has to deal, both those operating in violation of the anti-trust law and others. The amendment in question was of benefit to no one excepting to these criminals, and it seriously hampers the Government in the detection of crime and the securing of justice. Moreover, it not only affects departments outside of the Treasury, but it tends to hamper the Secretary of the Treasury himself in the effort to utilize the employees of his department so as to best meet the requirements of the public service. It forbids him from preventing frauds upon the customs service, from investigating irregularities in branch mints and assay offices, and has seriously crippled him. It prevents the promotion of employees in the Secret Service, and this further discourages good effort. In its present form the restriction operates only to the advantage of the criminal, of the wrongdoer.

"The chief argument in favor of the provision was that the Congressmen did not themselves wish to be investigated by Secret Service men. Very little of such investigation has been done in the past; but it is true that the work of the Secret Service agents was partly responsible for the indictment and conviction of a Senator and a Congressman for land frauds in Oregon. I do not believe that it is in the public interest to protect criminals in any branch of the public service, and exactly as we have again and again during the past seven years prosecuted and convicted such criminals who were in the executive branch of the Government, so in my belief we should be given ample means to prosecute them if found in the legislative branch. But if this is not considered desirable a special exception could be made in the law prohibiting the use of the Secret Service force in investigating Members of the Congress. It would be far better to do this than to do what actually was done, and strive to prevent or at least to hamper effective action against criminals by the executive branch of the Government."

A careful reading of this message will show that I said nothing to warrant the statement that "the majority of the Congressmen were in fear of being investigated by the Secret Service men," or "that Congress as a whole was actuated by that motive." I did not make any such statement in this message. Moreover, I have never made any such statement about Congress as a whole, nor, with a few inevitable exceptions, about the Members of Congress, in any message or article or speech. On the contrary, I have always not only deprecated but vigorously resented the practice of indiscriminate attack upon Congress, and indiscriminate condemnation of all Congressmen, wise and unwise, fit and unfit, good and bad alike. No one realizes more than I the importance of cooperation between the Executive and Congress, and no one holds the authority and dignity of the Congress of the United States in higher respect than I do. I have not the slightest sympathy with the practice of judging men, for good or for ill, not on their several merits, but in a mass, as members of one particular body or one caste. To put together all men holding or who have held a particular office, whether it be the office of President, or Judge, or Senator, or Member of the House of Representatives, and to class them all, without regard to their individual differences, as good or bad, seems to me utterly indefensible; and it is equally indefensible whether the good are confounded with the bad in a heated and unwarranted championship of all, or in a heated and unwarranted assault upon all. I would neither attack nor defend all executive officers in a mass, whether Presidents, Governors, Cabinet officers, or officials of lower rank; nor would I attack or defend all legislative officers in a mass. The safety of free government rests very largely in the ability of the plain, everyday citizen to discriminate between those public servants who serve him well and those public servants who serve him ill. He can not thus discriminate if he is persuaded to pass judgment upon a man, not with reference to whether he is a fit or unfit public servant, but with reference to whether he is an executive or legislative officer, whether he belongs to one branch or the other of the Government.

This allegation in the resolution, therefore, must certainly be due to an entire failure to understand my message.

The resolution continues: "That the President be requested to transmit to the House any evidence upon which he based his statements that the 'chief argument in favor of the provision was that the Congressmen did not themselves wish to be investigated by Secret Service men.'" This statement, which was an attack upon no one, still less upon the Congress, is sustained by the facts.

If you will turn to the Congressional Record for May 1 last, pages 5553 to 5560, inclusive, you will find the debate on this subject. Mr. Tawney of Minnesota, Mr. Smith of Iowa, Mr. Sherley of Kentucky, and Mr. Fitzgerald of New York appear in this debate as the special champions of the provision referred to. Messrs. Parsons, Bennet, and Driscoll were the leaders of those who opposed the adoption of the amendment and upheld the right of the Government to use the most efficient means possible in order to detect criminals and to prevent and punish crime. The amendment was carried in the Committee of the Whole, where no votes of the individual members are recorded, so I am unable to discriminate by mentioning the members who voted for and the members who voted against the provision, but its passage, the Journal records, was greeted with applause. I am well aware, however, that in any case of this kind many members who have no particular knowledge of the point at issue are content simply to follow the lead of the committee which had considered the matter, and I have no doubt that many Members of the House simply followed the lead of Messrs. Tawney and Smith, without having had the opportunity to know very much as to the rights and wrongs of the question.

I would not ordinarily attempt in this way to discriminate between Members of the House, but as objection has been taken to my language, in which I simply spoke of the action of the House as a whole, and as apparently there is a desire that I should thus discriminate, I will state that I think the responsibility rested on the Committee on Appropriations, under the lead of the members whom I have mentioned.

Now as to the request of the Congress that I give the evidence for my statement that the chief argument in favor of the provision was that the Congressmen did not themselves wish to be investigated by Secret Service men.

The part of the Congressional Record to which I have referred above entirely supports this statement. Two distinct lines of argument were followed in the debate. One concerned the question whether the law warranted the employment of the Secret Service in departments other than the Treasury, and this did not touch the merits of the service in the least. The other line of argument went to the merits of the service, whether lawfully or unlawfully employed, and here the chief if not the only argument used was that the service should be cut down and restricted because its members had "shadowed" or investigated Members of Congress and other officers of the Government. If we examine the debate in detail it appears that most of what was urged in favor of the amendment took the form of the simple statement that the committee held that there had been a "violation of law" by the use of the Secret Service for other purposes than suppressing counterfeiting (and one or two other matters which can be disregarded), and that such language was now to be used as would effectually prevent all such "violation of law" hereafter. Mr. Tawney, for instance, says: "It was for the purpose of stopping the use of this service in every possible way by the departments of the Government that this provision was inserted;" and Mr. Smith says: "Now, that was the only way in which any limitation could be put upon the activities of the Secret Service." Mr. Fitzgerald followed in the same vein, and by far the largest part of the argument against the employment of the Secret Service was confined to the statement that it was in "violation of law." Of course such a statement is not in any way an argument in favor of the justice of the provision. It is not an argument for the provision at all. It is simply a statement of what the gentlemen making it conceive to have been the law. There was both by implication and direct statement the assertion that it was the law, and ought to be the law, that the Secret Service should only be used to suppress counterfeiting; and that the law should be made more rigid than ever in this respect.

Incidentally I may say that in my judgment there is ample legal authority for the statement that this appropriation law to which reference was made imposes no restrictions whatever upon the use of the Secret Service men, but relates solely to the expenditure of the money appropriated. Mr. Tawney in the debate stated that he had in his possession "a letter from the Secretary of the Treasury, received a few days ago," in which the Secretary of the Treasury "himself admits that the provisions under which the appropriation has been made have been violated year after year for a number of years in his own Department." I append herewith as Appendix A the letter referred to. It makes no such admission as that which Mr. Tawney alleges. It contains, on the contrary, as you will see by reading it, an "emphatic protest against any such abridgment of the rights delegated to the Secretary of the Treasury by existing law," and concludes by asserting that he "is quite within his rights in thus employing the service of these agents" and that the proposed modification which Mr. Tawney succeeded in carrying through would be "distinctly to the advantage of violators of criminal statutes of the United States." I call attention to the fact that in this letter of Secretary Cortelyou to Mr. Tawney, as in my letter to the Speaker quoted below, the explicit statement is made that the proposed change will be for the benefit of the criminals—a statement which I simply reiterated in public form in my message to the Congress this year, and which is also contained in effect in the report of the Secretary of the Treasury to the Congress.

A careful reading of the Congressional Record will also show that practically the only arguments advanced in favor of the limitation proposed by Mr. Tawney's committee, beyond what may be supposed to be contained by implication in certain sentences as to "abuses" which were not specified, were those contained in the repeated statements of Mr. Sherley. Mr. Sherley stated that there had been "pronounced abuses growing out of the use of the Secret Service for purposes other than those intended," putting his statement in the form of a question, and in the same form further stated that the "private conduct" of "Members of Congress, Senators," and others ought not to be investigated by the Secret Service, and that they should not investigate a "Member of Congress" who had been accused of "conduct unbecoming a gentleman and a Member of Congress." In addition to these assertions couched as questions, he made one positive declaration, that "This Secret Service at one time was used for the purpose of looking into the personal conduct of a Member of Congress." This argument of Mr. Sherley, the only real argument as to the merits of the question made on behalf of the Committee on Appropriations, will be found in columns 1 and 2 of page 5556 and column 1 of page 5557 of the Congressional Record. In column 1 of page 5556 Mr. Sherley refers to the impropriety of permitting the Secret Service men to investigate men in the departments, officers of the army and navy, and Senators and Congressmen; in column 2 he refers to officers of the navy and Members of Congress; in column 1, page 5557, he refers only to Members of Congress. His speech puts most weight on the investigation of Members of Congress.

What appears in the record is filled out and explained by an article which appeared in the Chicago Inter-Ocean of January 3, 1904, under a Washington headline, and which marked the beginning of this agitation against the Secret Service. It was a special article of about 3,000 words, written, as I was then informed and now understand, by Mr. L. W. Busbey, at that time private secretary to the Speaker of the House. I inclose a copy of certain extracts from the article, marked Appendix B. It contained an utterly unwarranted attack on the Secret Service Division of the Treasury Department and its chief. The opening paragraph includes, for instance, statements like the following:

"He (the chief of the division) and his men are desirous of doing the secret detective work for the whole Government and are not particular about drawing the line between the lawmakers and the lawbreakers. They are ready to shadow the former as well as the latter."

Then, after saying that Congress will insist that the men shall only be used to stop counterfeiting, the article goes on:

"Congress does not intend to have a Fouche or any other kind of minister of police to be used by the executive departments against the legislative branch of the Government. It has been so used, and it is suspected that it has been so used recently. * * * The legislative branch of the Government will not tolerate the meddling of detectives, whether they represent the President, Cabinet officers, or only themselves. * * * Congressmen resented the secret interference of the Secret Service men, who for weeks shadowed some of the most respected Members of the House and Senate. * * * When it was discovered that the Secret Service men were shadowing Congressmen there was a storm of indignation at the Capitol, and the bureau came near being abolished and the appropriation for the suppression of counterfeiting cut off. * * * At another time the chief of the Secret Service had his men shadow Congressmen with a view to involving them in scandals that would enable the bureau to dictate to them as to the price of silence. * * * The Secret Service men have shown an inclination again to shadow Members of Congress, knowing them to be lawmakers, and this is no joke. Several of the departments have asked Congress for secret funds for investigation, and the Treasury Department wants the limitation removed from the appropriation for suppressing counterfeiting. This shows a tendency toward Foucheism and a secret watch on other officials than themselves."

At the time of this publication the work of the Secret Service which was thus assailed included especially the investigation of great land frauds in the West and the securing of evidence to help the Department of Justice in the beef-trust investigations at Chicago, which resulted in successful prosecutions.

In view of Mr. Busbey's position, I have accepted the above quoted statements as fairly expressing the real meaning and animus of the attacks made in general terms on the use of the Secret Service for the punishment of criminals. Furthermore, in the performance of my duty, to endeavor to find the feelings of Congressmen on public questions of note, I have frequently discussed this particular matter with Members of Congress, and on such occasions the reasons alleged to me for the hostility of Congress to the Secret Service, both by those who did and by those who did not share this hostility, were almost invariably the same as those set forth in Mr. Busbey's article. I may add, by the way, that these allegations as to the Secret Service are wholly without foundation in fact.

But all of this is of insignificant importance compared with the main, the real, issue. This issue is simply, Does Congress desire that the Government shall have at its disposal the most efficient instrument for the detection of criminals and the prevention and punishment of crime, or does it not? The action of the House last May was emphatically an action against the interest of justice and against the interest of law-abiding people, and in its effect of benefit only to lawbreakers. I am not now dealing with motives; whatever may have been the motive that induced the action of which I speak, this was beyond all question the effect of that action. Is the House now willing to remedy the wrong?

For a long time I contented myself with endeavoring to persuade the House not to permit the wrong, speaking informally on the subject with those members who, I believed, knew anything of the matter, and communicating officially only in the ordinary channels, as through the Secretary of the Treasury. In a letter to the Speaker on April 30, protesting against the cutting down of the appropriation vitally necessary if the Interstate Commerce Commission was to carry into effect the twentieth section of the Hepburn law, I added: "The provision about the employment of the Secret Service men will work very great damage to the Government in its endeavor to prevent and punish crime. There is no more foolish outcry than this against 'spies;' only criminals *need fear our detectives.*" (I inclose copy of the whole letter, marked "Appendix C." The postscript is blurred in my copybook, and two or three of the words can not be deciphered.) These methods proved unavailing to prevent the wrong. Messrs. Tawney and Smith and their fellow members on the Appropriations Committee paid no heed to the protests; and as the obnoxious provision was incorporated in the sundry civil bill, it was impossible for me to consider or discuss it on its merits, as I should have done had it been in a separate bill. Therefore I have now taken the only method available, that of discussing it in my message to Congress; and as all efforts to secure what I regard as proper treatment of the subject without recourse to plain speaking had failed, I have spoken plainly and directly, and have set forth the facts in explicit terms.

Since 1901 the investigations covered by the Secret Service Division—under the practice which had been for many years recognized as proper and legitimate, and which had received the sanction of the highest law officers of the Government—have covered a wide range of offenses against the federal law. By far the most important of these related to the public domain, as to which there was uncovered a far-reaching and widespread system of fraudulent transactions involving both the illegal acquisition and the illegal fencing of Government land, and, in connection with both these offenses, the crimes of perjury and subornation of perjury. Some of the persons involved in these violations were of great wealth and of wide political and social influence. Both their corporate associations and their political affiliations and the lawless character of some of their employees made the investigations not only difficult but dangerous. In Colorado one of the Secret Service men was assassinated. In Nebraska it was necessary to remove a United States attorney and a United States marshal before satisfactory progress could be made in the prosecution of the offenders.

The evidence in all these cases was chiefly secured by men trained in the Secret Service and detailed to the Department of Justice at the request of that Department and of the Department of the Interior. In the State of Nebraska alone sixty defend nts were indicted, and of the thirty-two cases thus far brought to trial twenty-eight have resulted in conviction, two of the principals, Messrs. Comstock and Richards, men of wealth and wide influence, being sentenced to twelve months in jail and fined $1,500 each. The following Secret Service memorandum made in the course of a pending case illustrates the ramifications of interest with which the Government has to deal:

"Charles T. Stewart, of Council Bluffs, was indicted at Omaha for conspiracy to defraud the Government of the title to public lands in McPherson County, Nebr.; also indicted for maintaining an unlawful inclosure of the public lands, and also under indictment for perjury in connection with final proof submitted by him on lands filed on by him as a homestead. In his final proof he swore that he and his family had resided on the lands in McPherson County (which are within his unlawful inclosure), when as a matter of fact his family has at all times resided in Council Bluffs, Iowa. He is engaged in the wholesale grocery business, his store being located in Omaha, in the wholesale district there. He is reputed to be quite wealthy. Stewart's attorneys are Harl & Tinley, of Council Bluffs, Iowa, who are also the attorneys at that place for the Omaha and Council Bluffs Street Railway Company, in which company Harl holds considerable stock, Stewart being also a stockholder and possibly a director of the company. He is also represented in Omaha by W. J. Connell, one of the attorneys there for the same company. Stewart is also represented in his perjury case by 'Bill' Gurley, of

Omaha, Nebr., who at one time was quite closely connected in a political way with the U. P. R. R. Company; Stewart is also closely associated with C. B. Hazleton, postmaster at Council Bluffs. Harl & Tinley and Hazleton are all members of the same lodge. Another close personal friend of Stewart's is Ed. Hart, alias 'Waterworks' Hart, president of the Council Bluffs Water Company, and interested in the street railway. Stewart's father was interested in, and practically owned and controlled, during his lifetime, a large ranch along the U. P. R. R. in Nebraska, and did a great deal of business with that road."

Concerning this case the United States attorney at Omaha states: "There are three cases against Stewart, one for fencing, one conspiracy, one perjury—all good cases and chances of conviction good."

In connection with the Nebraska prosecution the Government has by decree secured the return to the Government of over a million acres of grazing land, in Colorado of more than 2,000 acres of mineral land, and suits are now pending involving 150,000 acres more.

All these investigations in the land cases were undertaken in consequence of Mr. Hitchcock, the then Secretary of the Interior, becoming convinced that there were extensive frauds committed in his Department; and the ramifications of the frauds were so far-reaching that he was afraid to trust his own officials to deal in thoroughgoing fashion with them. One of the Secret Service men accordingly resigned and was appointed in the Interior Department to carry on this work. The first thing he discovered was that the special agents' division or corps of detectives of the Land Office of the Interior Department was largely under the control of the land thieves, and in consequence the investigations above referred to had to be made by Secret Service men.

If the present law, for which Messrs. Tawney, Smith, and the other gentlemen I have above mentioned are responsible, had then been in effect, this action would have been impossible, and most of the criminals would unquestionably have escaped. No more striking instance can be imagined of the desirability of having a central corps of skilled investigating agents who can at any time be assigned, if necessary in large numbers, to investigate some violation of the Federal statutes, in no matter what branch of the public service. In this particular case most of the men investigated who were public servants were in the executive branch of the Government. But in Oregon, where an enormous acreage of fraudulently alienated public land was recovered for the Government, a United States Senator, Mr. Mitchell, and a Member of the lower House, Mr. Williamson, were convicted on evidence obtained by men transferred from the Secret Service, and another Member of Congress was indicted.

From 1901 to 1904 a successful investigation of naturalization affairs was made by the Secret Service, with the result of obtaining hundreds of convictions of conspirators who were convicted of selling fraudulent papers of naturalization. (Subsequently, Congress passed a very wise law providing a special service and appropriation for the prevention of naturalization frauds; but unfortunately, at the same time that the action against the Secret Service was taken, Congress also cut down the appropriation for this special service, with the result of crippling the effort to stop frauds in naturalization.) The fugitives Greene and Gaynor, implicated in a peculiarly big Government contract fraud, were located and arrested in Canada by the Secret Service, and thanks to this they have since gone to prison for their crimes.

The Secret Service was used to assist in the investigation of crimes under the peonage laws, and owing partly thereto numerous convictions were secured and the objectionable practice was practically stamped out, at least in many districts. The most extensive smuggling of silk and opium in the history of the Treasury Department was investigated by agents of the Secret Service in New York and Seattle and a successful prosecution of the offenders undertaken. Assistance of the utmost value was rendered to the Department of Justice in the beef-trust investigation at Chicago, prosecutions were followed up and fines inflicted. The cotton-leak scandal in the Agricultural Department was investigated and the responsible parties located. What was done in connection with lottery investigations is disclosed in a letter just sent to me by the United States attorney for Delaware, running as follows:

"The destruction of the Honduras National Lottery Company, successor to the Louisiana Lottery Company, was entirely the work of the Secret Service. * * * This excellent work was accomplished by Mr. Wilkie and his subordinates. I thought it might be timely to recall this prosecution."

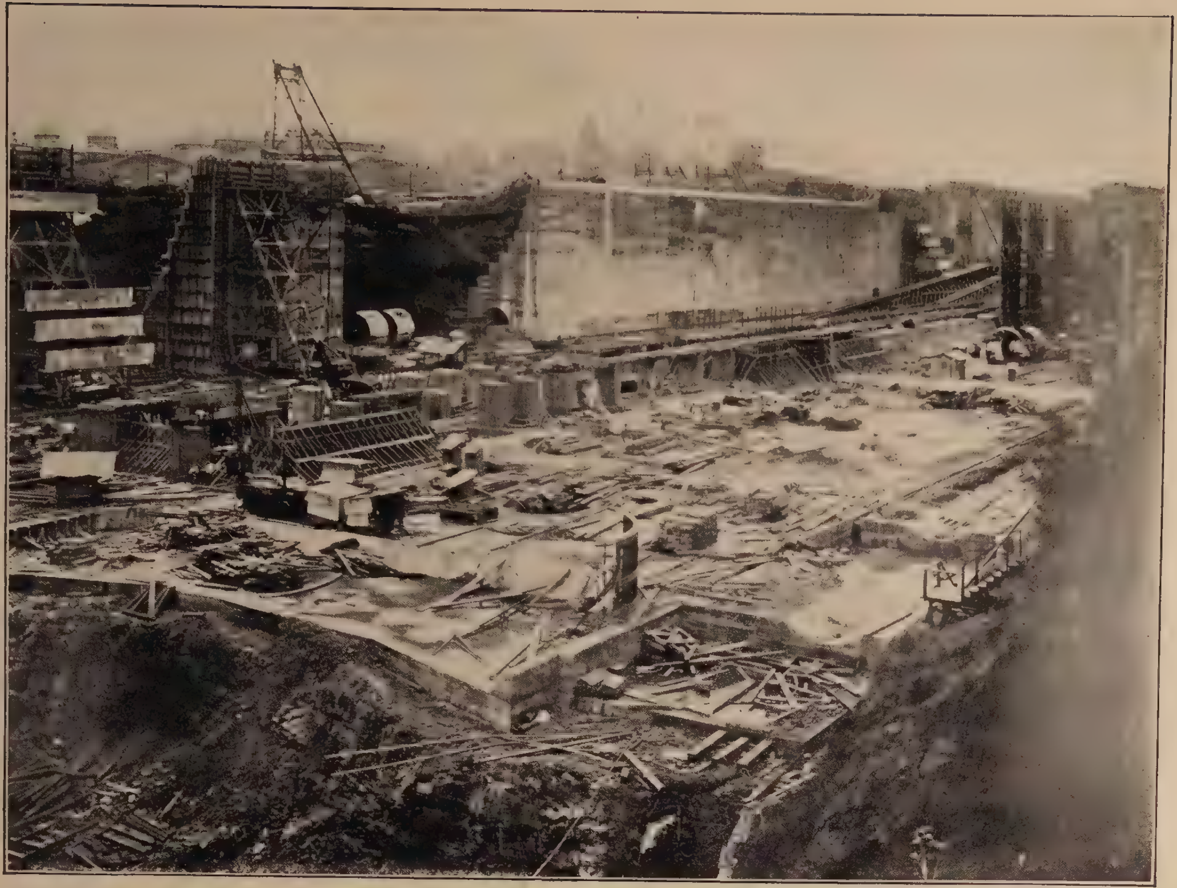
Three hundred thousand dollars in fines were collected by the Government in the lottery cases. Again, the ink contract fraud in the Bureau of Engraving and Printing (a bureau of the Treasury Department) was investigated by the Secret Service and the guilty parties brought to justice. Mr. Tawney stated in the debate that this was not investigated by the Secret Service, but by a clerk "down there," conveying the impression that the clerk was not in the Secret Service. As a matter of fact, he was in the Secret Service; his name was Moran, and he was promoted to assistant chief for the excellence of his work in this case. The total expense for the office and field force of the Secret Service last year was $135,000, and by this one investigation they saved to the Government over $100,000 a year. Thanks to the restriction imposed by Congress, it is now very difficult for the Secretary of the Treasury to use the

Secret Service freely even in his own department; for instance, to use them to repeat what they did so admirably in the case of this ink contract. The Government is further crippled by the law forbidding it to employ detective agencies. Of course the Government can detect the most dangerous crimes, and punish the worst criminals, only by the use, either of the Secret Service or of private detectives; to hamper it in using the one, and forbid it to resort to the other, can inure to the benefit of none save the criminals.

The facts above given show beyond possibility of doubt that what the Secretary of the Treasury and I had both written prior to the enactment of the obnoxious provision, and what I have since written in my message to the Congress, state the facts exactly as they are. The obnoxious provision is of benefit only to the criminal class and can be of benefit only to the criminal class. If it had been embodied in the law at the time when I became President all the prosecutions above mentioned, and many others of the same general type, would either not have been undertaken or would have been undertaken with the Government at a great disadvantage; and many, and probably most, of the chief offenders would have gone scot-free instead of being punished for their crimes.

Such a body as the Secret Service, such a body of trained investigating agents, occupying a permanent position in the Government service, and separate from local investigating forces in different Departments, is an absolute necessity if the best work is to be done against criminals. It is by far the most efficient instrument possible to use against crime. Of course the more efficient an instrument is, the more dangerous it is if misused. To the argument that a force like this can be misused it is only necessary to answer that the condition of its usefulness if handled properly is that it shall be so efficient as to be dangerous if handled improperly. Any instance of abuse by the Secret Service or other investigating force in the Departments should be unsparingly punished; and Congress should hold itself ready at any and all times to investigate the executive departments whenever there is reason to believe that any such instance of abuse has occurred. I wish to emphasize my more than cordial acquiescence in the view that this is not only the right of Congress, but emphatically its duty. To use the Secret Service in the investigation of purely private or political matters would be a gross abuse. But there has been no single instance of such abuse during my term as President.

In conclusion, I most earnestly ask, in the name of good government and decent administration, in the name of honesty and for the purpose of bringing to justice violators of the federal laws wherever they may be found, whether in public or private life, that the action taken by the House last year be reversed. When this action was



PANAMA CANAL: MIDDLE GATUN LOCKS, LOOKING SOUTH, DEC. 17, 1910

THE PANAMA CANAL

The commencement of the task of constructing the Panama Canal was the most important event of Roosevelt's Administration. The history of the undertaking is written by Roosevelt himself on pages 6662, 6758, 6881, 6901, 7401, 7480, 7611, 7648, 7667, 7685 and 7728. The message commencing on page 7685 describes his visit of inspection to the canal zone. President Taft continued the narrative, pages 7750, 7754, 7803, 7863 and 7898. The reader who desires a brief recital of the facts should refer to the article entitled "Panama Canal" in the encyclopedic index (volume eleven). The index references following this article will enable the reader to glean a complete and authentic knowledge of the subject from the messages of the Presidents, from Jackson to Taft, who have discussed the project.

taken, the Senate committee, under the lead of the late Senator Allison, having before it a strongly-worded protest (Appendix D) from Secretary Cortelyou like that he had sent to Mr. Tawney, accepted the Secretary's views; and the Senate passed the bill in the shape presented by Senator Allison. In the conference, however, the House conferees insisted on the retention of the provision they had inserted, and the Senate yielded.

The Chief of the Secret Service is paid a salary utterly inadequate to the importance of his functions and to the admirable way in which he has performed them. I earnestly urge that it be increased to $6,000 per annum. I also urge that the Secret Service be placed where it properly belongs, and made a bureau in the Department of Justice, as the Chief of the Secret Service has repeatedly requested; but whether this is done or not, it should be explicitly provided that the Secret Service can be used to detect and punish crime wherever it is found.

THEODORE ROOSEVELT.

THE WHITE HOUSE, *January 4, 1909.*

SPECIAL MESSAGE.

To the Senate and House of Representatives:

I transmit herewith the report of the Commission on Country Life. At the outset I desire to point out that not a dollar of the public money has been paid to any commissioner for his work on the commission.

The report shows the general condition of farming life in the open country, and points out its larger problems; it indicates ways in which the Government, National and State, may show the people how to solve some of these problems; and it suggests a continuance of the work which the commission began.

Judging by thirty public hearings, to which farmers and farmers' wives from forty States and Territories came, and from 120,000 answers to printed questions sent out by the Department of Agriculture, the commission finds that the general level of country life is high compared with any preceding time or with any other land. If it has in recent years slipped down in some places, it has risen in more places. Its progress has been general, if not uniform.

Yet farming does not yield either the profit or the satisfaction that it ought to yield and may be made to yield. There is discontent in the country, and in places discouragement. Farmers as a class do not magnify their calling, and the movement to the towns, though, I am happy to say, less than formerly, is still strong.

Under our system, it is helpful to promote discussion of ways in which the people can help themselves. There are three main directions in which the farmers can help themselves; namely, better farming, better business, and better living on the farm. The National Department of Agriculture, which has rendered services equaled by no other similar department in any other time or place; the state departments of agriculture; the state colleges of agriculture and the mechanic arts, especially through their extension work; the state agricultural experiment stations; the Farmers' Union; the Grange; the agricultural press; and other similar agencies; have all combined to place within the reach of the American farmer an amount and quality of agricultural information which, if applied, would enable him, over large areas, to double the production of the farm.

The object of the Commission on Country Life therefore is not to help the farmer raise better crops, but to call his attention to the opportunities for better business and better living on the farm. If country life is to become what it should be, and what I believe it ultimately will be—one of the most dignified, desirable, and sought-after ways of earning a living—the farmer must take advantage not only of the agricultural knowledge which is at his disposal, but of the methods which have raised and continue to raise the standards of living and of intelligence in other callings.

Those engaged in all other industrial and commercial callings have found it necessary, under modern economic conditions, to organize themselves for mutual advantage and for the protection of their own particular interests in relation to other interests. The farmers of every progressive European country have realized this essential fact and have found in the co-operative system exactly the form of business combination they need.

Now whatever the State may do toward improving the practice of agriculture, it is not within the sphere of any government to reorganize the farmers' business or reconstruct the social life of farming communities. It is, however, quite within its power to use its influence and the machinery of publicity which it can control for calling public attention to the needs and the facts. For example, it is the obvious duty of the Government to call the attention of farmers to the growing monopolization of water power. The farmers above all should have that power, on reasonable terms, for cheap transportation, for lighting their homes, and for innumerable uses in the daily tasks on the farm.

It would be idle to assert that life on the farm occupies as good a position in dignity, desirability, and business results as the farmers might easily give it if they chose. One of the chief difficulties is the failure of country life, as it exists at present, to satisfy the higher social and intellectual aspirations of country people. Whether the constant draining away of so much of the best elements in the rural population into the towns is due chiefly to this cause or to the superior business opportunities of city life may be open to question. But no one at all familiar with farm life throughout the United States can fail to recognize the necessity for building up the life of the farm upon its social as well as upon its productive side.

It is true that country life has improved greatly in attractiveness, health and comfort, and that the farmer's earnings are higher than they were. But city life is advancing even more rapidly, because of the greater attention which is being given by the citizens of the towns to their own betterment. For just this reason the introduction of effective agricultural co-operation throughout the United States is of the first importance. Where farmers are organized co-operatively they not only avail themselves much more readily of business opportunities and improved methods, but it is found that the organizations which bring them together in the work of their lives are used also for social and intellectual advancement.

The co-operative plan is the best plan of organization wherever men have the right spirit to carry it out. Under this plan any business undertaking is managed by a committee; every man has one vote and only one vote; and everyone gets profits according to what he sells or buys or supplies. It develops individual responsibility and has a moral as well as a financial value over any other plan.

I desire only to take counsel with the farmers as fellow-citizens. It is not the problem of the farmers alone that I am discussing with them, but a problem which affects every city as well as every farm in the country. It is a problem which the working farmers will have to solve for themselves; but it is a problem which also affects in only less degree all the rest of us, and therefore if we can render any help toward its solution it is not only our duty but our interest to do so.

The foregoing will, I hope, make it clear why I appointed a commission to consider problems of farm life which have hitherto had far too little attention, and the neglect of which has not only held back life in the country, but also lowered the efficiency of the whole nation. The welfare of the farmer is of vital consequence to the welfare of the whole community. The strengthening of country life, therefore, is the strengthening of the whole nation.

The commission has tried to help the farmers to see clearly their own problem and to see it as a whole; to distinguish clearly between what the Government can do and what the farmers must do for themselves; and it wishes to bring not only the farmers but the Nation as a whole to realize that the growing of crops, though an essential part, is only a part of country life. Crop growing is the essential foundation; but it is no less essential that the farmer shall get an adequate return for what he grows; and it is no less essential—indeed it is literally vital—that he and his wife and his children shall lead the right kind of life.

For this reason, it is of the first importance that the United States Department of Agriculture, through which as prime agent the ideas the commission stands for must reach the people, should become without delay in fact a Department of Country Life, fitted to deal not only with crops, but also with all the larger aspects of life in the open country.

From all that has been done and learned three great general and immediate needs of country life stand out:

First, effective co-operation among farmers, to put them on a level with the organized interests with which they do business.

Second, a new kind of schools in the country, which shall teach the children as much outdoors as indoors and perhaps more, so that they will prepare for country life, and not, as at present, mainly for life in town.

Third, better means of communication, including good roads and a parcels post, which the country people are everywhere, and rightly, unanimous in demanding.

To these may well be added better sanitation; for easily preventable diseases hold several million country people in the slavery of continuous ill health.

The commission points out, and I concur in the conclusion, that the most important help that the Government, whether National or State, can give is to show the people how to go about these tasks of organization, education and communication with the best and quickest results. This can be done by the collection and spread of information. One community can thus be informed of what other communities have done, and one country of what other countries have done. Such help by the people's government would lead to a comprehensive plan of organization, education and communication, and make the farming country better to live in, for intellectual and social reasons as well as for purely agricultural reasons.

The Government through the Department of Agriculture does not cultivate any man's farm for him. But it does put at his service useful knowledge that he would not otherwise get. In the same way the National and State Governments might put into the people's hands the new and right knowledge of school work. The task of maintaining and developing the schools would remain, as now, with the people themselves.

The only recommendation I submit is that an appropriation of $25,000 be provided, to enable the commission to digest the material it has collected, and to collect and to digest much more that is within its reach, and thus complete its work. This would enable the commission to gather in the harvest of suggestion which is resulting from the discussion it has stirred up. The commissioners have served without compensation, and I do not recommend any appropriation for their services, but only for the expenses that will be required to finish the task that they have begun.

To improve our system of agriculture seems to me the most urgent of the tasks which lie before us. But it can not, in my judgment, be effected by measures which touch only the material and technical side of the subject; the whole business and life of the farmer must also be taken into account. Such considerations led me to appoint the Commission on Country Life. Our object should be to help develop in the country community the great ideals of community life as well as of personal character. One of the most important adjuncts to this end must be the country church, and I invite your attention to what the commission says of the country church and of the need of an extension of such work as that of the Young Men's Christian Association in country communities. Let me lay special emphasis upon what the Commission says at the very end of its report on personal ideals and local leadership. Everything resolves itself in the end into the question of personality. Neither society nor government can do much for country life unless there is voluntary response in the personal ideals of the men and women who live in the country. In the development of character, the home should be more important than the school, or than society at large. When once the basic material needs have been met, high ideals may be quite independent of income; but they can not be realized without sufficient income to provide adequate foundation; and where the community at large is not financially prosperous it is impossible to develop a high average personal and community ideal. In short, the fundamental facts of human nature apply to men and women who live in the country just as they apply to men and women who live in the towns. Given a sufficient foundation of material well being, the influence of the farmers and farmers' wives on their children becomes the factor of first importance in determining the attitude of the next generation toward farm life. The farmer should realize that the person who most needs consideration on the farm is his wife. I do not in the least mean that she should purchase ease at the expense of duty. Neither man nor woman is really happy or really useful save on condition of doing his or her duty. If the woman shirks her duty as housewife, as home keeper, as the mother whose prime function it is to bear and rear a sufficient number of healthy children, then she is not entitled to our regard. But if she does her duty she is more entitled to our regard even than the man who does his duty; and the man should show special consideration for her needs.

I warn my countrymen that the great recent progress made in city life is not a full measure of our civilization; for our civilization rests at bottom on the wholesomeness, the attractiveness and the completeness, as well as the prosperity, of life in the country. The men and women on the farms stand for what is fundamentally best and most needed in our American life. Upon the development of country life rests ultimately our ability, by methods of farming requiring the highest intelligence, to continue to feed and clothe the hungry nations; to supply the city with fresh blood, clean bodies and clear brains that can endure the terrific strain of modern life; we need the development of men in the open country, who will be in the future, as in the past, the stay and strength of the nation in time of war, and its guiding and controlling spirit in time of peace.

THEODORE ROOSEVELT.

THE WHITE HOUSE, *February* 9, 1909.

SPECIAL MESSAGE.

To the Senate and House of Representatives:

I transmit herewith a report of the National Conservation Commission, together with the accompanying papers. This report, which is the outgrowth of the conference of governors last May, was unanimously approved by the recent joint conference held in this city between the National Conservation Commission and governors of States, state conservation commissions, and conservation committees of great organizations of citizens. It is therefore in a peculiar sense representative of the whole nation and all its parts.

With the statements and conclusions of this report I heartily concur, and I commend it to the thoughtful consideration both of the Congress and of our people generally. It is one of the most fundamentally important documents ever laid before the American people. It contains the first inventory of its natural resources ever made by any nation. In condensed form it presents a statement of our available capital in material resources, which are the means of progress, and calls attention to the essential conditions upon which the perpetuity, safety and welfare of this nation now rest and must always continue to rest. It deserves, and should have, the widest possible distribution among the people.

The facts set forth in this report constitute an imperative call to action. The situation they disclose demands that we, neglecting for a time, if need be, smaller and less vital questions, shall concentrate an effective part of our attention upon the great material foundations of national existence, progress and prosperity.

This first inventory of natural resources prepared by the National Conservation Commission is undoubtedly but the beginning of a series which will be indispensable for dealing intelligently with what we have. It supplies as close an approximation to the actual facts as it was possible to prepare with the knowledge and time available. The progress of our knowledge of this country will continually lead to more accurate information and better use of the sources of national strength. But we can not defer action until complete accuracy in the estimates can be reached, because before that time many of our resources will be practically gone. It is not necessary that this inventory should be exact in every minute detail. It is essential that it should correctly describe the general situation; and that the present inventory does. As it stands it is an irrefutable proof that the conservation of our resources is the fundamental question before this nation, and that our first and greatest task is to set our house in order and begin to live within our means.

The first of all considerations is the permanent welfare of our people; and true moral welfare, the highest form of welfare, can not permanently exist save on a firm and lasting foundation of material well-being. In this respect our situation is far from satisfactory. After every possible allowance has been made, and when every hopeful indication has been given its full weight, the facts still give reason for grave concern. It would be unworthy of our history and our intelligence, and disastrous to our future, to shut our eyes to these facts or attempt to laugh them out of court. The people should and will rightly demand that the great fundamental questions shall be given attention by their representatives. I do not advise hasty or ill-considered action on disputed points, but I do urge, where the facts are known, where the public interest is clear, that neither indifference and inertia, nor adverse private interests, shall be allowed to stand in the way of the public good.

The great basic facts are already well known. We know that our population is now adding about one-fifth to its numbers in ten years, and that by the middle of the present century perhaps one hundred and fifty million Americans, and by its end very many millions more, must be fed and clothed from the products of our soil. With the steady growth in population and the still more rapid increase in consumption our people will hereafter make greater and not less demands per capita upon all the natural resources for their livelihood, comfort and convenience. It is high time to realize that our responsibility to the coming millions is like that of parents to their children, and that in wasting our resources we are wronging our descendants.

We know now that our rivers can and should be made to serve our people effectively in transportation, but that the vast expenditures for our waterways have not resulted in maintaining, much less in promoting, inland navigation. Therefore, let us take immediate steps to ascertain the reasons and to prepare and adopt a comprehensive plan for inland-waterway navigation that will result in giving the people the benefits for which they have paid, but which they have not yet received. We know now that our forests are fast disappearing, that less than one-fifth of them are being conserved, and that no good purpose can be met by failing to provide the relatively small sums needed for the protection, use and improvement of all forests still owned by the Government, and to enact laws to check the wasteful destruction of the forests in private hands. There are differences of opinion as to many public questions; but the American people stand nearly as a unit for waterway development and for forest protection.

We know now that our mineral resources once exhausted are gone forever, and that the needless waste of them costs us hundreds of human lives and nearly $300,000,000 a year. Therefore, let us undertake without delay the investigations necessary before our people will be in position, through state action or otherwise, to put an end to this huge loss and waste, and conserve both our mineral resources and the lives of the men who take them from the earth.

I desire to make grateful acknowledgment to the men, both in and out of the government service, who have prepared the first inventory of our natural resources. They have made it possible for this nation to take a great step forward. Their work is helping us to see that the greatest questions before us are not partisan questions, but questions upon which men of all parties and all shades of opinion may be united for the common good. Among such questions, on the material side, the conservation of natural resources stands first. It is the bottom round of the ladder on our upward progress toward a condition in which the nation as a whole, and its citizens as individuals, will set national efficiency and the public welfare before personal profit.

The policy of conservation is perhaps the most typical example of the general policies which this Government has made peculiarly its own during the opening years of the present century. The function of our Government is to insure to all its citizens, now and hereafter, their rights to life, liberty and the pursuit of happiness. If we of this generation destroy the resources from which our children would otherwise derive their livelihood, we reduce the capacity of our land to support a population, and so either degrade the standard of living or deprive the coming generations of their right to life on this continent. If we allow great industrial organizations to exercise unregulated control of the means of production and the necessaries of life, we deprive the Americans of today and of the future of industrial liberty, a right no less precious and vital than political freedom. Industrial liberty was a fruit of political liberty, and in turn has become one of its chief supports, and exactly as we stand for political democracy so we must stand for industrial democracy.

The rights to life and liberty are fundamental, and like other fundamental necessities, when once acquired, they are little dwelt upon. The right to the pursuit of happiness is the right whose presence or absence is most likely to be felt in daily life. In whatever it has accomplished, or failed to accomplish, the administration which is just drawing to a close has at least seen clearly the fundamental need of freedom of opportunity for every citizen. We have realized that the right of every man to live his own life, provide for his family, and endeavor, according to his abilities, to secure for himself and for them a fair share of the good things of existence, should be subject to one limitation and to no other. The freedom of the individual should be limited only by the present and future rights, interests and needs of the other individuals who make up the community. We should do all in our power to develop and protect individual liberty, individual initiative, but subject always to the need of preserving and promoting the general good. When necessary, the private right must yield, under due process of law and with proper compensation, to the welfare of the commonwealth. The man who serves the community greatly should be greatly rewarded by the community; as there is great inequality of service, so there must be great inequality of reward; but no man and no set of men should be allowed to play the game of competition with loaded dice.

All this is simply good common sense. The underlying principle of conservation has been described as the application of common sense to common problems for the common good. If the description is correct, then conservation is the great fundamental basis for national efficiency. In this stage of the world's history to be fearless, to be just, and to be efficient are the three great requirements of national life. National efficiency is the result of natural resources well handled, of freedom of opportunity for every man, and of the inherent capacity, trained ability, knowledge and will, collectively and individually to use that opportunity.

This administration has achieved some things; it has sought, but has not been able, to achieve others; it has doubtless made mistakes; but all it has done or attempted has been in the single, consistent effort to secure and enlarge the rights and opportunities of the men and women of the United States. We are trying to conserve what is good in our social system, and we are striving toward this end when we endeavor to do away with what is bad. Success may be made too hard for some if it is made too easy for others. The rewards of common industry and thrift may be too small if the rewards for other, and on the whole less valuable, qualities, are made too large, and especially if the rewards for qualities which are really, from the public standpoint, undesirable, are permitted to become too large. Our aim is so far as possible to provide such conditions that there shall be equality of opportunity where there is equality of energy, fidelity and intelligence; when there is a reasonable equality of opportunity the distribution of rewards will take care of itself.

The unchecked existence of monopoly is incompatible with equality of opportunity. The reason for the exercise of government control over great monopolies is to equalize opportunity. We are fighting against privilege. It was made unlawful for corporations to contribute money for election expenses in order to abridge the power of special privilege at the polls. Railroad-rate control is an attempt to secure an equality of opportunity for all men affected by rail transportation; and that means all of us. The great anthracite coal strike was settled, and the pressing danger of a coal famine averted, because we recognized that the control of a public necessity involves a duty to the people, and that public intervention in the affairs of a public-service corporation is neither to be resented as usurpation nor permitted as a privilege by the corporations, but on the contrary to be accepted as a duty and exercised as a right by the Government in the interest of all the people. The efficiency of the army and the navy has been increased so that our people may follow in peace the great work of making this country a better place for Americans to live in, and our navy was sent round the world for the same ultimate purpose. All the acts taken by the Government during the last seven years, and all the policies now being pursued by the Government, fit in as parts of a consistent whole.

Our public-land policy has for its aim the use of the public land so that it will promote local development by the settlement of home makers; the policy we champion is to serve all the people legitimately and openly, instead of permitting the lands to be converted, illegitimately and under cover, to the private benefit of a few. Our forest policy was established so that we might use the public forests for the permanent public good, instead of merely for temporary private gain. The reclamation act, under which the desert parts of the public domain are converted to higher uses for the general benefit, was passed so that more Americans might have homes on the land.

These policies were enacted into law and have justified their enactment. Others have failed, so far, to reach the point of action. Among such is the attempt to secure public control of the open range and thus to convert its benefits to the use of the small man, who is the home maker, instead of allowing it to be controlled by a few great cattle and sheep owners.

The enactment of a pure food law was a recognition of the fact that the public welfare outweighs the right to private gain, and that no man may poison the people for his private profit. The employers' liability bill recognized the controlling fact that while the employer usually has at stake no more than his profit, the stake of the employee is a living for himself and his family.

We are building the Panama Canal; and this means that we are engaged in the giant engineering feat of all time. We are striving to add in all ways to the habitability and beauty of our country. We are striving to hold in the public hands the remaining supply of unappropriated coal, for the protection and benefit of all the people. We have taken the first steps toward the conservation of our natural resources, and the betterment of country life, and the improvement of our waterways. We stand for the right of every child to a childhood free from grinding toil, and to an education; for the civic responsibility and decency of every citizen; for prudent foresight in public matters, and for fair play in every relation of our national and economic life. In international matters we apply a system of diplomacy which puts the obligations of international morality on a level with those that govern the actions of an honest gentleman in dealing with his fellow-men. Within our own border we stand for truth and honesty in public and in private life; and we war sternly against wrongdoers of every grade. All these efforts are integral parts of the same attempt, the attempt to enthrone justice and righteousness, to secure freedom of opportunity to all of our citizens, now and hereafter, and to set the ultimate interest of all of us above the temporary interest of any individual, class, or group.

The nation, its government, and its resources exist, first of all, for the American citizen, whatever his creed, race, or birthplace, whether he be rich or poor, educated or ignorant, provided only that he is a good citizen, recognizing his obligations to the nation for the rights and opportunities which he owes to the nation.

The obligations, and not the rights, of citizenship increase in proportion to the increase of a man's wealth or power. The time is coming when a man will be judged, not by what he has succeeded in getting for himself from the common store, but by how well he has done his duty as a citizen, and by what the ordinary citizen has gained in freedom of opportunity because of his service for the common good. The highest value we know is that of the individual citizen, and the highest justice is to give him fair play in the effort to realize the best there is in him.

The tasks this nation has to do are great tasks. They can only be done at all by our citizens acting together, and they can be done best of all by the direct and simple application of homely common sense. The application of common sense to common problems for the common good, under the guidance of the principles upon which this republic was based, and by virtue of which it exists, spells perpetuity for the nation, civil and industrial liberty for its citizens, and freedom of opportunity in the pursuit of happiness for the plain American, for whom this nation was founded, by whom it was preserved, and through whom alone it can be perpetuated. Upon this platform—larger than party differences, higher than class prejudice, broader than any question of profit and loss—there is room for every American who realizes that the common good stands first.

The National Conservation Commission wisely confined its report to the statement of facts and principles, leaving the Executive to recommend the specific steps to which these facts and principles inevitably lead. Accordingly, I call your attention to some of the larger features of the situation disclosed by the report, and to the action thereby clearly demanded for the general good.

WATERS.

The report says:

"Within recent months it has been recognized and demanded by the people, through many thousand delegates from all States assembled in convention in different sections of the country, that the waterways should and must be improved promptly and effectively as a means of maintaining national prosperity.

"The first requisite for waterway improvement is the control of the waters in such manner as to reduce floods and regulate the regimen of the navigable rivers. The second requisite is development of terminals and connection in such manner as to regulate commerce."

Accordingly, I urge that the broad plan for the development of our waterways, recommended by the Inland Waterways Commission, be put in effect without delay. It provides for a comprehensive system of waterway improvement extending to all the uses of the waters and benefits to be derived from their control, including navigation, the development of power, the extension of irrigation, the drainage of swamp and overflow lands, the prevention of soil wash, and the purification of streams for water supply. It proposes to carry out the work by co-ordinating agencies in the federal departments through the medium of an administrative commission or board, acting in co-operation with the States and other organizations and individual citizens.

The work of waterway development should be undertaken without delay. Meritorious projects in known conformity with the general outlines of any comprehensive plan should proceed at once. The cost of the whole work should be met by direct appropriation if possible, but if necessary by the issue of bonds in small denominations.

It is especially important that the development of water power should be guarded with the utmost care both by the National Government and by the States in order to protect the people against the upgrowth of monopoly and to insure to them a fair share in the benefits which will follow the development of this great asset which belongs to the people and should be controlled by them.

FORESTS.

I urge that provision be made for both protection and more rapid development of the national forests. Otherwise, either the increasing use of these forests by the people must be checked or their protection against fire must be dangerously weakened. If we compare the actual fire damage on similar areas on private and national forest lands during the past year, the government fire patrol saved commercial timber worth as much as the total cost of caring for all national forests at the present rate for about ten years.

I especially commend to the Congress the facts presented by the commission as to the relation between forests and stream flow in its bearing upon the importance of the forest lands in national ownership. Without an understanding of this intimate relation the conservation of both these natural resources must largely fail.

The time has fully arrived for recognizing in the law the responsibility to the community, the State, and the nation which rests upon the private owners of private lands. The ownership of forest land is a public trust. The man who would so handle his forest as to cause erosion and to injure stream flow must be not only educated, but he must be controlled.

The report of the National Conservation Commission says:

"Forests in private ownership can not be conserved unless they are protected from fire. We need good fire laws, well enforced. Fire control is impossible without an adequate force of men whose sole duty is fire patrol during the dangerous season."

I hold as first among the tasks before the States and the nation in their respective shares in forest conservation the organization of efficient fire patrols and the enactment of good fire laws on the part of the States.

The report says further:

"Present tax laws prevent reforestation of cut-over land and the perpetuation of existing forests by use. An annual tax upon the land itself, exclusive of the timber, and a tax upon the timber when cut is well adapted to actual conditions of forest investment and is practicable and certain. It is far better that forest land should pay a moderate tax permanently than that it should pay an excessive revenue temporarily and then cease to yield at all."

Second only in importance to good fire laws well enforced is the enactment of tax laws which will permit the perpetuation of existing forests by use.

LANDS.

With our increasing population the time is not far distant when the problem of supplying our people with food will become pressing. The possible additions to our arable area are not great, and it will become necessary to obtain much larger crops from the land, as is now done in more densely settled countries. To do this, we need better farm practice and better strains of wheat, corn and other crop plants, with a reduction in losses from soil erosion and from insects, animals and other enemies of agriculture. The United States Department of Agriculture is doing excellent work in these directions and it should be liberally supported.

The remaining public lands should be classified and the arable lands disposed of to home makers. In their interest the timber and stone act and the commutation clause of the homestead act should be repealed, and the desert-land law should be modified in accordance with the recommendations of the Public Lands Commission.

The use of the public grazing lands should be regulated in such ways as to improve and conserve their value.

Rights to the surface of the public land should be separated from rights to forests upon it and to minerals beneath it, and these should be subject to separate disposal.

The coal, oil, gas and phosphate rights still remaining with the Government should be withdrawn from entry and leased under conditions favorable for economic development.

MINERALS.

The accompanying reports show that the consumption of nearly all of our mineral products is increasing more rapidly than our population. Our mineral waste is about one-sixth of our product, or nearly $1,000,000 for each working day in the year. The loss of structural materials through fire is about another million a day. The loss of life in the mines is appalling. The larger part of these losses of life and property can be avoided.

Our mineral resources are limited in quantity and can not be increased or reproduced. With the rapidly increasing rate of consumption the supply will be exhausted while yet the nation is in its infancy, unless better methods are devised or substitutes are found. Further investigation is urgently needed in order to improve methods and to develop and apply substitutes.

It is of the utmost importance that a Bureau of Mines be established in accordance with the pending bill to reduce the loss of life in mines and the waste of mineral resources and to investigate the methods and substitutes for prolonging the duration of our mineral supplies. Both the need and the public demand for such a bureau are rapidly becoming more urgent. It should co-operate with the States in supplying data to serve as a basis for state mine regulations. The establishment of this bureau will mean merely the transfer from other bureaus of work which it is agreed should be transferred and slightly enlarged and reorganized for these purposes.

CONCLUSIONS.

The joint conference already mentioned adopted two resolutions to which I call your special attention. The first was intended to promote co-operation between the States and the nation upon all of the great questions here discussed. It is as follows:

"*Resolved,* That a joint committee be appointed by the chairman, to consist of six members of state conservation commissions and three members of the National Conservation Commission, whose duty it shall be to prepare and present to the state and national commissions, and through them to the governors and the President, a plan for united action by all organizations concerned with the conservation of natural resources. (On motion of Governor Noel, of Mississippi, the chairman and secretary of the conference were added to and constituted a part of this committee.)"

The second resolution of the joint conference to which I refer calls upon the Congress to provide the means for such co-operation. The principle of the community of interest among all our people in the great natural resources runs through the report of the National Conservation Commission and the proceedings of the joint conference. These resources, which form the common basis of our welfare, can be wisely developed, rightly used, and prudently conserved only by the common action of all the people, acting through their representatives in State and nation. Hence the fundamental necessity for co-operation. Without it we shall accomplish but little, and that little badly. The resolution follows:

"We also especially urge on the Congress of the United States the high desirability of maintaining a national commission on the conservation of the resources of the country, empowered to co-operate with state commissions to the end that every sovereign commonwealth and every section of the country may attain the high degree of prosperity and the sureness of perpetuity naturally arising in the abundant resources and the vigor, intelligence and patriotism of our people."

In this recommendation I most heartily concur, and I urge that an appropriation of at least $50,000 be made to cover the expenses of the National Conservation Commission for necessary rent, assistance and traveling expenses. This is a very small sum. I know of no other way in which the appropriation of so small a sum would result in so large a benefit to the whole nation.

THEODORE ROOSEVELT.

THE WHITE HOUSE, *January 22, 1909.*

SPECIAL MESSAGE.

To the Senate and House of Representatives:

I submit herewith the report of the engineers appointed by me to accompany the ex-Secretary of War, the Hon. William H. Taft, to the isthmian canal to look into the condition of the canal work, and especially to report upon the feasibility and safety of the Gatun dam project, with a view to deciding whether or not there should be any change in the plans in accordance with which the canal is being constructed, these plans having been adopted by the Congress. I am happy to report to you that the accompanying document shows in clearest fashion that the Congress was wise in the position it took, and that it would be an inexcusable folly to change from the proposed lock canal to a sea-level canal. In fact this report not only determines definitely the type of canal, but makes it evident that hereafter attack on this type—the lock type—is in reality merely attack upon the policy of building any canal at all. The board of engineers who signed this report are of all the men in their profession, within or without the United States, the men who are on the whole best qualified to pass upon these very questions which they examined. I commend to you the most careful consideration of their report. They show that the only criticism that can be made of the work on the Isthmus is that there has sometimes been almost an excess of caution in providing against possible trouble. As to the Gatun dam itself, they show that not only is the dam safe, but that on the whole the plan already adopted would make it needlessly high and strong, and accordingly they recommend that the height be reduced by 20 feet, which change in the plans I have accordingly directed. Every American citizen should feel not merely gratification, but a very keen sense of pride in the statement made by this distinguished body of engineers as to the way in which the work has been done, and in which it is now proceeding. The American people are to be heartily congratulated on everything of importance that has been done in connection with the building of the Panama Canal.

THEODORE ROOSEVELT.

THE WHITE HOUSE, *February* 17, 1909.

WASHINGTON, D. C., *February* 16, 1909.

SIR: In accordance with your instructions, we have visited the isthmian canal, in company with Hon. William H. Taft, and have examined the work in progress and the plans for the structures as far as now developed.

We have given especial consideration, under the instructions of Mr. Taft, to the foundations for the Gatun dam, and the feasibility of constructing and maintaining thereon a safe dam for retaining water at 85 feet above sea level.

We have examined the slides in the banks of the canal and the surveys, plottings and sections that have been made of them. The subsidence in the fills in the toes of the dams and in the railway embankments has also been examined, and we have considered the effect of the qualities of materials thus disclosed upon the construction of the various works and upon their ultimate stability.

We have also considered the evidence that has been accumulated as to the permeability of the different materials and the possible loss of water by percolation through the bed and banks of the future Gatun lake; and the question whether such loss of water by seepage would result in materially reducing the water supply or in undermining and ultimately crippling the structure.

GATUN DAM.

The Gatun earth dam is the central point of discussion, and we were instructed by Mr. Taft to give it first consideration in the light of all new evidence.

We are satisfied, both from the records of the experiments that have been made and from our own personal examination of the materials, as seen in cuts now open and as disclosed by samples from test borings, that there will be no dangerous or objectionable seepage through the materials under the base of the dam, nor are they so soft as to be liable to be pushed aside by the weight of the proposed dam so as to cause dangerous settlement.

We are also satisfied that the materials available and which it is proposed to use are suitable and can be readily placed to form a tight, stable and permanent dam.

The type of dam now under construction is one which meets with our unanimous approval. It is a combination of rock fill and hydraulic fill, in which the exterior faces are to be composed largely of rock of all sizes obtained from the canal excavation, dumped and laid on slopes much flatter than are ordinarily found in earth dams, while the interior of the great mass will consist of clayey material obtained by hydraulic dredging from large deposits at a little distance from the dam and carried by water through pipes to the places where it is to be used. The material as delivered is a mixture of earth and water. The material held in suspension slowly deposits, finally forming a solid, water-tight embankment. The pond necessarily maintained on the top of the dam during construction tests the embankment at all stages of its growth, searches out any weak points, and leads to the closure of any voids or cracks.

The most practical question in the construction of the Gatun dam is the possible slipping and sliding of the materials underneath and in the body of the dam. The materials, speaking broadly, are of a clayey nature, generally impervious to water, but sometimes slipping when subjected to heavy unbalanced pressure or on high steep slopes when saturated with water. In this respect the materials differ radically from the sandy and gravelly materials which have been frequently used in the construction of other earth dams.

In order to build a dam of these clayey materials that will be stable and permanent, it is necessary that the slopes should be flatter than would be needed to secure the stability of a dam of siliceous, sandy, or gravelly materials.

The evidence that has been accumulated as to the degrees of slope that are stable with these materials seems to us conclusive. The fact that the materials are slippery does not mean that a dam built from them is necessarily less stable than a dam built of materials that do not slip so easily. It does mean that, in order to secure stability and permanency, the dam must be built with a greater thickness at the bottom.

The dam as proposed is more than a third of a mile in horizontal thickness at its base, including the rock-fill portions.

The design upon which the work is now being prosecuted abundantly fulfills the required degree of stability and goes far beyond the limits of what would be regarded as sufficient and safe in any less important structure.

As a matter of convenience and economy during construction, materials have been piled up on slopes much steeper than those contemplated in the finished work. Generally, the materials so placed have remained in position, but in some cases slips have occurred. The occurrence of these slips is of no serious consequence either in the practical execution of the work or in the ultimate stability of the structures. We can readily understand how incorrect deductions may have been drawn from these occurrences, especially by those not fully informed as to the character of the materials and the ample dimensions and much less steep slopes of the proposed structures in their final form.

We were requested to consider the proper height for the crest of the Gatun dam, and after consideration concluded that it could be safely reduced 20 feet from that originally proposed, namely, to an elevation of 115 feet above sea level, or 30 feet above the normal level of the water against the dam. We are also of the opinion that the sheet piling recently proposed under the base of the dam may be safely omitted. The narrow cut-off trench now in progress through the upper earth stratum on Gatun Island and elsewhere and designed to be refilled with sluiced material should be continued.

Changes in these respects will facilitate the work of construction and will reduce somewhat the cost of the proposed work.

A full study of all the data at hand, and of the materials, and of the plans that are proposed with the above modifications leaves no doubt in our minds as to the safe, tight and durable character of the Gatun dam.

CHANGES IN PLAN OF CANAL.

It was suggested to us by Mr. Taft that we give special consideration to those changes which have been made in the plans of the minority of the Board of Consulting Engineers of 1905 since the adoption of the project.

Change in position of lower Pacific locks.

One of the most important of these changes is the moving of the lower locks on the Pacific end of the canal from La Boca, on the shore of Panama Bay, to Miraflores, about 4 miles inland.

This change involved abandoning the construction of two earth dams at and near La Boca and the substitution of about 4 miles of deep-sea level channel 500 feet wide from La Boca to Miraflores in place of a wider channel through the lake that would have been created by the dams.

Before this change was made work had been commenced upon the toes of one of the dams. The material had been piled up to a considerable height on slopes steeper than were capable of being supported by the underlying material. Under these conditions settlements occurred with lateral displacement of some of the underlying material. Your board, after carefully inspecting the ground and the partially completed work, is of the opinion that these settlements cause no reason to doubt the stability of the proposed dams. We are unanimously of the opinion that stable and water-tight dams of substantially the proposed dimensions could have been constructed on the proposed sites without recourse to dredging out the underlying soft material.

The report of the minority of the Board of Consulting Engineers of 1905 recognized that an objection might be made from a military point of view to placing locks on the shore of the bay, exposed to guns of hostile ships. We now understand that the controlling reason for the change was a military one. This change in the plans will result in an increase in cost of the canal by an amount judged from evidence at our disposal to be not less than $10,000,000. We are informed, however, that this change would greatly lessen the cost of fortification.

Increased width of canal.

Another change is the increase of the minimum bottom width of the canal from 200 feet to 300 feet. This applies to a length of about 4.7 miles in the Culebra cut. We understand that this change will increase the cost of the work by about $13,000,000. The work upon the excavation of the Culebra cut under the revised plan has now so far advanced that this widening will not delay the completion of the canal.

The widening will permit ships to pass one another in this portion of the canal, as they may under the original plan in all other portions, and will otherwise facilitate navigation through it.

If slides occur after the completion of the canal, the wider canal is not as likely to be blocked as a narrow one.

We understand that this change was authorized directly by you on the presentation of its advantages by the chief engineer, and we merely call attention to it as one reason for the increased cost of the canal.

Increased size of locks.

Another change is the increase of the dimensions of the locks from 95 by 900 feet to 110 by 1,000 feet. The increase in width we understand has been made in compliance with a request from the General Board of the Navy Department, in order to allow the passage of the largest war vessels contemplated.

A large increase in cost is involved in these enlarged dimensions.

Changes in breakwaters.

An important change is proposed in the location of the breakwater at the Atlantic end of the canal. The plan provisionally adopted by the Board of Consulting Engineers of 1905, and adopted for the purpose of estimate by the minority of that board, was for a breakwater generally parallel with the channel, which included less than one-third of Limon Bay; whereas the breakwater in the location now proposed will protect the entire bay and furnish a more commodious harbor not only for ships using the canal, but for all other shipping which makes use of the port. A considerable increase in cost is involved in this change.

We had an opportunity to view the present harbor during what is said to have been the only severe norther of the past two years, and have no doubt that a good breakwater is a desirable adjunct to the canal. We are not prepared to pass on the precise location, form, or cost of this.

A change of less importance has been made at the Pacific end by relocating the dredged channel leading to deep water and increasing its width from 300 feet to 500 feet and by constructing a breakwater from the shore at La Boca to Naos Island with material excavated from the Culebra cut. This breakwater, now under construction, serves to prevent currents across the canal cut and tends to prevent deposits in the dredged channel and to increase the safety of navigation. The breakwater may also serve to carry a roadway to Naos Island. These changes involve some additional expense.

Relocation of Panama Railroad.

The alignment of the Panama Railroad has been materially changed south of Gatun. This change was made because it was found that the swamp near the Gatuncillo River would not support the very high railroad embankment required, if made with ordinary slopes, and a line crossing at a point higher up the river was selected, which does not, however, materially increase the length of the railroad. The construction of the railroad will cost much more than was estimated by the minority of the Board of Consulting Engineers, who were unable to procure surveys of the proposed location. The recent change in location affords more ample and convenient anchorage immediately above the locks.

Other changes.

Some further changes or additions which have not yet been fully worked out have been mentioned to us as likely to be made as the work progresses, namely, the dredging out of a broad anchorage basin immediately downstream from the Gatun locks, another for anchorage and room for turning of long ships near La Boca, and possibly another just below the Miraflores locks. These can all be delayed until the completion of the main work of canal excavation and lock building, and then executed by the dredges that have done the main work. The work can thus be done without additional equipment, and at a low price per cubic yard.

PRESENT CONDITION OF WORK.

It has been suggested that we report upon the condition of the work and the progress being made, and, if found possible in the time at our disposal, upon the probable time of completion.

Organization.

We have seen the work under way on all parts of the canal. We have become acquainted with the engineers in responsible positions and have noted the organization and equipment.

It is our impression that the work is well organized and is being conducted energetically and well.

The work is done by day labor and not by the contract system.

The men are well paid, well housed, well fed and well cared for in case of sickness or accident. Houses, furniture, fuel, water, drainage and lights are furnished to employees without cost. Roads are built, schools supported and Young Men's Christian Association buildings provided, which are practically club buildings. Parts of the running expenses are also paid. The premises are cleared and drained and the grass kept cut. The climate is especially adapted to outdoor life, and the ample porches, entirely inclosed by bronze-wire screens, give the greatest facility for this. We are especially pleased with the architectural arrangements of the houses. They are admirably adapted to the climatic conditions.

Bachelor quarters and hotels furnishing meals at moderate prices are also provided by the Government.

Hospitals are provided, free medical attendance is furnished to employees and medical attendance at low rates is supplied to families of employees.

A limited amount of free transportation, namely, one excursion trip each month to any station, is furnished on the Panama Railroad to employees, and half rates are given in all other cases, and also half rates to families of employees. Free transportation in some cases, and in all other cases transportation at reduced rates to and from the Isthmus, is provided to employees and their families.

Six weeks' leave of absence each year, with full pay, is given to all monthly employees, and this includes not only office and engineering forces but also the mechanical forces on the monthly basis.

The medical and sanitary department is especially to be commended for its success in exterminating yellow fever and controlling malaria, and for other measures which have made the Isthmus a thoroughly healthful place in which to live.

The cost of the sanitary department, which represents the cost of keeping the Isthmus healthful, amounts to about $2,000,000 per year. This is a large sum, but the work is well done, and any decrease in the efficiency of the sanitary service might readily prove disastrous to the prosecution of the main work.

We believe that in no other great construction work has so much been done for employees in the way of furnishing necessities, comforts, and luxuries of life at the cost of the work as has been done in this case. This is one reason for the high cost of the canal.

Progress and time of completion.

We have examined diagrams and statistics showing the amount of work accomplished by years and by months since the work was taken over by the United States, and showing the amounts of the various classes of work remaining to be done and the estimated rates of progress and times required for completion. It has been impossible for us to check these in detail, but we have compared them with other estimates, and with the work obviously done, and they seem reasonable to us. In the light of this showing, we see no reason why the canal should not be completed, as estimated by the chief engineer, by January 1, 1915; in fact, it seems that a somewhat earlier completion is probable if all goes well, but in view of possible contingencies it is not prudent at this time to count on an earlier date.

Cost of work.

In examining the expenditures thus far made it must be borne in mind that large sums have been paid for steamships, dredges, steam shovels, locomotives, cars, tracks, shops and all the equipment that is necessary to prosecute a work of this magnitude, and also that large sums have been spent for dwellings, offices, buildings of various kinds, for waterworks, sewers, paving and other equipment, and that these expenditures have been made, in large measure, for the whole work, and that corresponding disbursements hereafter will be very much less in proportion than they have been to date.

Colonel Goethals has presented to us an estimate of the quantities of materials and the cost involved in the construction of the canal as now planned, including all disbursements thus far made and the estimated amounts required for completion. These cover the greater width of excavation, the increased size of locks, the extra canal channel required by moving the Pacific locks from La Boca to Miraflores, the improved harbor arrangements at Colon, and all other changes which have been adopted or which are now seriously contemplated. The payments to the New Panama Canal Company are included, and also the payments to the Republic of Panama and the cost of sanitation and zone government, for which items the Board of Consulting Engineers of 1905 stated that it presented no estimates.

The estimates and allowances so made seem ample to us. In some items it would seem that considerable reductions could be made, but, on the other hand, the work is large and novel and unforeseen contingencies must be expected, so that it may be that the aggregate estimate as presented is not too large.

After deducting $15,000,000, representing the estimated receipts from the return of money loaned the Panama Railroad, and from the collection of water rates to cover the cost of municipal improvements made in Panama and Colon, and from miscellaneous sources, this present estimate of the complete cost of the lock canal amounts to $360,000,000.

In making this estimate no reduction has been made for whatever salvage may be realized from the construction plant at the termination of the work, which plant has cost to date about $30,000,000.

The cost of the canal, as estimated in 1905, is frequently stated to be $140,000,000, but this is incorrect, as the minority report expressly excluded sanitation and zone government, and the payments to Panama and the French company had already been made. Adding these amounts, using the present estimates of sanitation and zone government, we have in round numbers the following:

Estimate of the minority of the Board of Consulting Engineers for the cost of construction, exclusive of sanitation and zone government	$140,000,000
Payments made to the Republic of Panama and to the New Panama Canal Company	50,000,000
Sanitation and zone government, as now estimated	27,000,000
Total	$217,000,000

The difference between this cost and the total cost as now estimated is therefore $143,000,000. Of this amount nearly one-half can be accounted for by the changes in the canal and appurtenant works to which we have already referred, and the remainder is to be attributed mainly to the higher unit cost of the different items of the work, caused in part by the higher prices for plant, supplies and labor which have prevailed in the United States since the estimate of 1905 was made, and which made it necessary to offer very high wages and special inducements in order to obtain the requisite force in a locality where the reputation for health was not good in the earlier years, in part to the adoption of an eight-hour day for most of the work instead of a ten-hour day, in part to the much greater expenditure for housing and care of employees and for auxiliary works than was anticipated, and in part, in our opinion, to the evident purpose to make the estimates ample and to provide liberally for contingencies.

When the work at Panama is completed, in addition to having the canal, the United States will own the Panama Railroad and the steamship line operated in connection therewith.

TYPE OF CANAL.

In view of the fact that the cost of the lock canal, as now proposed, will largely overrun the estimate of the minority of the Board of Consulting Engineers of 1905, and that the excavation in the Culebra cut is being made somewhat more rapidly than was anticipated; we have considered in a very general way the relative cost and time of construction of a sea-level canal.

Most of the factors which have operated to increase the cost of the lock canal would operate with similar effect to increase the cost of the sea-level canal, and at the present time there are additional factors of even greater importance to be considered as affecting the time of completion and cost of a sea-level canal. One of these is to be found in the Gamboa dam, proposed to be nearly 200 feet in height above its foundations, which would be about 60 feet below the normal river level. Prior to the construction of this dam a long and deep diversion channel must be provided of far greater magnitude than that for the Gatun dam, which has been about two years in progress, and is not yet completed.

Judging by the time required for the construction of dams of similar magnitude in the United States, it is probable that were work on the Gamboa dam to be started as soon as possible this one feature of the sea-level project of the Board of Consulting Engineers of 1905 could not be completed until after the time required for the completion of the lock canal. The construction of this dam at Gamboa for the control of the Chagres is an essential preliminary to the excavation of the sea-level canal for the 13 miles from Bohio to Bas Obispo.

Furthermore, in addition to the Gamboa dam, the sea-level project provides for building for the control of tributary streams three large dams, the sites of which have not been examined.

Work is already far advanced on nearly all parts of the lock canal, and a change in the type would result in abandoning work done which represents large expenditure.

Under the plan now being carried out, the River Chagres and each of the other rivers on the Isthmus tributary thereto is made an ally of the project. The waters of these rivers are handled economically and in such a way as to facilitate the operation of the canal. With the sea-level project, these rivers instead of being allies would be enemies of the canal, and floods in them would greatly interfere with the work.

The excavation of the canal would be carried to 40 feet or more below sea level and to a much greater depth below the bottoms of the valleys in which the upper streams now flow.

It would further be necessary to cut long and large diversion channels on each side of the canal for streams entering the Chagres Valley. The cost of such lateral channels to protect the Culebra cut alone from the comparatively small streams formerly entering it, including work done by the French, has probably been not less than $2,000,000. The channels required for the lower valley of the Chagres would be necessarily much longer, larger and far more expensive.

ROCK EXCAVATION UNDER WATER.

Much has been said about the economy of excavating rock under water by modern appliances as compared with the cost of such excavation in the dry with steam shovels after blasting.

We concur in the opinion of those in charge of work at the Isthmus that it is more economical, where the conditions are favorable, to excavate rock in the dry than by any under-water process now in use. Experience is not yet available to us which will justify the belief that, with the depth of cut and the quality of rock found on the Isthmus, the general adoption of subaqueous methods would prove more expeditious or cheaper.

It is probable that more economical subaqueous methods will be sometime developed, but it would not be wise to base a change in plan of important work upon prospective results to be obtained by any method not yet thoroughly tried.

EARTHQUAKES.

It has been suggested that the canal region is liable to earthquake shocks and that a sea-level canal would be less subject to injury by earthquakes than a lock canal.

We have seen, in the city of Panama, the ruins of an old church, said to have been destroyed by fire, containing a long and extremely flat arch of great age, which convinces us that there has been no earthquake shock on the Isthmus during the one hundred and fifty years, more or less, that this structure has been in existence, that would have injured the work proposed.

Dams and locks are structures of great stability and little subject to damage by earthquake shocks. The successful resistance of the dams and reservoirs supplying San Francisco with water, even when those structures were located near the line of fault of the earthquake, gives confidence in the ability of well-designed masonry structures and earth embankments to resist earthquake shocks.

We do not regard such shocks as a source of serious damage to any type of canal at the Isthmus, but if they were so their effect upon the dams, locks and regulating works proposed for the sea-level canal would be much the same as upon similar structures of the lock canal. The Gamboa dam for controlling the floods of the Chagres in connection with the sea-level canal provides for a lake having an area of 29 square miles when full, and if this water were suddenly let loose into the sea-level canal it would seriously injure large portions thereof and wreck ships therein. A similar result would be reached if the other three dams of the sea-level canal retaining lakes, having an aggregate area of 10 square miles, were to be suddenly destroyed.

WATER SUPPLY.

We believe that the sufficiency of the water supply for a lock canal has never been seriously questioned. It is true that during the dry season the natural flow of the streams would not be sufficient to furnish the water required for numerous lockages. There would even be times when the natural flow would not suffice to make good the loss by evaporation from the surface of the water in Gatun Lake. During the rainy season there is a great excess of water which can be readily stored in Gatun Lake with its area of 163 square miles. It is proposed to fill this lake during the rainy season 2 feet above its normal level, and to draw it as needed during the dry season. It is computed that by drawing it 5 feet below normal level, which draft would leave 40 feet of water through Culebra cut, the supply in a dry year would be sufficient to serve from 30 to 40 lockages up and an equal number of lockages down daily. Each lockage might consist of a single large vessel, or a fleet of smaller vessels capable of being in the lock at one time, as is common at Sault Ste. Marie. For comparison the published record shows that an average of only 12 ships per day passed through the Suez Canal in 1907.

Ultimately, if needed for increased traffic, additional water may be held from wet seasons and made available in dry ones. This may be accomplished either by raising further the high-water level in Gatun Lake or by lowering the low-water level in the lake, this lowering being accompanied, if necessary, by the deepening of the canal, or storage may be provided by an entirely independent reservoir, for which there are excellent sites.

From our examinations in the neighborhood of Gatun dam, we can find no reason to apprehend important loss of water by seepage through the ridges surrounding the lake, while in our judgment the bed of the lake will be practically impervious to water.

The water supply in sight is so much greater than any need that can be reasonably anticipated that the best method of securing more water when the time of need arrives does not require to be considered now.

CONCLUSIONS.

Your board is satisfied that the dams and locks, the lock gates, and all other engineering structures involved in the lock-canal project are feasible and safe, and that they can be depended upon to perform with certainty their respective functions.

We do not find any occasion for changing the type of canal that has been adopted.

A change to a sea-level plan at the present time would add greatly to the cost and time of construction, without compensating advantages, either in capacity of canal or safety of navigation, and hence would be a public misfortune.

We do find in the detailed designs that have been adopted, or that are under consideration, some matters where other arrangements than those now considered seem worthy of study. As these proposed changes are of a tentative nature and do not in any case affect the main questions herein discussed, they are not taken up in this report.

Very respectfully,

FREDERICK P. STEARNS.
ARTHUR P. DAVIS.
HENRY A. ALLEN.
JAMES D. SCHUYLER.
ISHAM RANDOLPH.
JOHN R. FREEMAN.
ALLEN HAZEN.

THE PRESIDENT.

SPECIAL MESSAGE.

WHITE HOUSE, January 8, 1906.

To the Senate and House of Representatives:

I inclose herewith the annual report of the Isthmian Canal Commission, the annual report of the Panama Railroad Company and the Secretary of War's letter transmitting the same, together with certain papers.

The work on the isthmus is being admirably done, and great progress has been made, especially during the last nine months. The plant is being made ready and the organization perfected. The first work to be done was the work of sanitation, the necessary preliminary to the work of actual construction; and this has been pushed forward with the utmost energy and means. In a short while I shall lay before you the recommendations of the commission and of the board of consulting engineers as to the proper plan to be adopted for the canal itself, together with my own recommendations thereon. All the work so far has been done, not only with the utmost expedition, but in the most careful and thorough manner, and what has been accomplished gives us good reason to believe that the canal will be dug in a shorter time than has been anticipated and at an expenditure within the estimated amount. All our citizens have a right to congratulate themselves upon the high standard of efficiency and integrity which has been hitherto maintained by the representatives of the government in doing this great work. If this high standard of efficiency and integrity can be maintained in the future at the same level which it has now reached, the construction of the Panama canal will be one of the feats to which the people of this republic will look back with the highest pride.

From time to time various publications have been made, and from time to time in the future various similar publications doubtless will be made, purporting to give an account of jobbery, or immorality, or inefficiency, or misery, as obtaining on the isthmus. I have carefully examined into each of these accusations which seemed worthy of attention. In every instance the accusations have proved to be without foundation in any shape or form. They spring from several sources. Sometimes they take the shape of statements by irresponsible investigators of a sensational habit of mind, incapable of observing or repeating with accuracy what they see, and desirous of obtaining notoriety by widespread slander. More often they originate with, or are given currency by, individuals with a personal grievance. The sensation-mongers, both those who stay at home and those who visit the isthmus, may ground their accusations on false statements by some engineer, who having applied for service on the commission and been refused such service, now endeavors to discredit his successful competitors; or by some lessee or owner of real estate who has sought action, or inaction by the commission to increase the value of his lots, and is bitter because the commission cannot be used for such purposes; or on the tales of disappointed bidders for contracts; or of office holders who have proved incompetent or who have been suspected of corruption and dismissed, or who have been overcome by panic and have fled from the isthmus. Every specific charge relating to jobbery, to immorality or to inefficiency, from whatever source it has come, has been immediately investigated, and in no single instance have the statements of these sensation-mongers and the interested complainants behind them proved true. The only discredit inhering in these false accusations is to those who originate and give them currency, and who, to the extent of their abilities, thereby hamper and obstruct the completion of the great work in which both the honor and the interest of America are so deeply involved. It matters not whether those guilty of these false accusations utter them in mere wanton recklessness and folly or in spirit of sinister malice to gratify some personal or political grudge.

Any attempt to cut down the salaries of the officials of the Isthmian Commission or of their subordinates who are doing important work would be ruinous from the standpoint of accomplishing the work effectively. To quote the words of one of the best observers on the isthmus: "Demoralization of the service is certain if the reward for successful endeavor is a reduction of pay." We are undertaking in Panama a gigantic task—the largest piece of engineering ever done. The employment of the men engaged thereon is only temporary, and yet it will require the highest order of ability if it is to be done economically, honestly and efficiently. To attempt to secure men to do this work on insufficient salaries would amount to putting a premium upon inefficiency and corruption. Men fit for the work will not undertake it unless they are well paid. In the end the men who do undertake it will be left to seek other employment with, as their chief reward, the reputations they achieve. Their work is infinitely more difficult than any private work, both because of the peculiar conditions of the tropical land in which it is laid and because it is impossible to free them from the peculiar limitations inseparably connected with government employment; while it is unfortunately true that men engaged in public work, no matter how devoted and disinterested their services, must expect to be made the objects of misrepresentation and attack. At best, therefore, the positions are not attractive in proportion to their importance, and among the men fit to do the task only those with a genuine sense of public spirit and eager to do the great work for the work's sake can be obtained, and such men cannot be kept if they are to be treated with niggardliness and parsimony, in addition to the certainty that false accusations will continually be brought against them.

I repeat that the work on the isthmus has been done and is being done admirably. The organization is good. The mistakes are extraordinarily few, and these few have been of practically no consequence. The zeal, intelligence and efficient public service of the Isthmian Commission and its subordinates have been noteworthy. I court the fullest, most exhaustive and most searching investigation of any act of theirs, and if any one of them is ever shown to have done wrong his punishment shall be exemplary. But I ask that they be decently paid and that their hands be upheld as long as they act decently. On any other conditions we shall not be able to get men of the right type to do the work, and this means that on any other condition we shall insure, if not failure, at least delay, scandal and inefficiency in the task of digging the giant canal.

THEODORE ROOSEVELT.

BY THE PRESIDENT OF THE UNITED STATES.

A PROCLAMATION.

Whereas, the government of Germany has taken action, extending, on and after March 1, 1906, and until June 30, 1907, or until further notice, the benefit of the German conventional customs tariff to the products of the soil or industry of the United States, by which action, in the judgment of the President, reciprocal concessions are established in favor of the said products of the United States;

Now, therefore, be it known that I, Theodore Roosevelt, President of the United States of America, acting under the authority conferred by the third section of the tariff act of the United States, approved July 24, 1897, do hereby suspend, during the continuance in force of the said concessions by the government of Germany, the imposition and collection of the duties imposed by the first section of said act upon the articles hereinafter specified, being the products of the soil or industry of Germany; and do declare in place thereof the following rates of duty provided in the third section of said act to be in force and effect on and after March 1, 1906, of which the officers and citizens of the United States will take notice, namely:

Upon argols, or crude tartar, or wine lees, crude, 5 per centum ad valorem.

Upon brandies or other spirits manufactured or distilled from grain or other materials, $1.75 per proof gallon.

Upon still wines and vermuth, in casks, 35 cents per gallon; in bottles or jugs, per case of one dozen bottles or jugs containing each not more than one quart and more than one pint, or twenty-four bottles or jugs containing each not more than one pint, $1.25 per case, and any excess beyond these quantities found in such bottles or jugs shall be subject to a duty of 4 cents per pint or fractional part thereof, but no separate or additional duty shall be assessed upon the bottles or jugs.

Upon paintings in oil or water colors, pastels, pen-and-ink drawings, and statuary, 15 per centum ad valorem.

In testimony whereof, I have hereunto set my hand and caused the seal of the United States to be affixed.

Done at the city of Washington this twenty-seventh day of February, 1906, and of the independence of the United States of
[SEAL.] America the one hundred and thirtieth.

THEODORE ROOSEVELT.

By the President:
ELIHU ROOT,
Secretary of State.

SPECIAL MESSAGE.

THE WHITE HOUSE, March 5, 1906.

To the Senate and House of Representatives:

Our coast defenses, as they existed in 1860, were not surpassed in efficiency by those of any country, but within a few years the introduction of rifled cannon and armor in the navies of the world, against which the smooth-bore guns were practically useless, rendered them obsolete. For many years no attempt was made to remedy the deficiencies of these seacoast fortifications. There was no establishment in the country equipped for the manufacture of high-power rifled guns, there was no definite adopted policy of coast defense, and Congress was reluctant to undertake a work the cost of which could not be stated, even approximately, and the details of which had not advanced—so far as could be ascertained—beyond the experimental stages.

The act of March 3, 1883, was the first decisive step taken to secure suitable and adequate ordnance for military purposes. Under the provisions of this act a joint board of officers of the army and navy was appointed "for the purpose of examining and reporting to Congress which of the navy yards or arsenals owned by the government has the best location and is best adapted for the establishment of a government foundry or what other method, if any, should be adopted for the manufacture of heavy ordnance adapted to modern warfare for the use of the army and navy of the United States."

This board, known as the "gun foundry board," made its report in 1884, and directed public attention not only to the defenseless condition of our coasts, but to the importance and necessity of formulating a comprehensive scheme for the protection of our harbors and coast cities.

As a result, the act of Congress, approved March 3, 1885, provided that "the President of the United States shall appoint a board, * * which board shall examine and report at what ports fortifications or other defenses are most urgently required, the character and kind of defenses best adapted to each, with reference to armament, the utilization of torpedoes, mines, and other defensive appliances."

The board organized under the foregoing provision of law, popularly known as the "Endicott board," in its report of January 23, 1886, cited the principles on which any system of coast defense should be based, and clearly stated the necessity of having our important strategic and commercial centers made secure against naval attack. In determining the ports that were in urgent need of defense, since a fleet did not exist for the protection of the merchant marine, fortifications were provided at every harbor of importance along the coast and at several of the Lake ports.

For any particular harbor or locality the report specifies the armament considered necessary for proper protection, the character of emplacements to be used, the number of submarine mines and torpedo boats, with detailed estimates of cost for these various items. The proposed guns, mounts, and emplacements were of types that seemed at that time best suited to accomplish the desired results, based on the only data available, namely, experiments and information of similar work from abroad.

After the report was made part of the public records, the development and adoption of a suitable disappearing gun carriage caused the substitution of open emplacements for the expensive turrets and armored casemates, materially reducing the cost of installing the armament; the great advances in ordnance, increasing the power and range of the later guns, caused a diminution in the number and caliber of the pieces to be mounted, and this fact, combined with advances in the science of engineering, rendered unnecessary the construction of the expensive "floating batteries" designed by the Endicott board for mounting guns to give sufficient fire for the defense of wide channels, or for harbors where suitable foundations could not be secured on land.

Furthermore, keeping pace with the gradual development and improvement in the engines and implements of war, fortified harbors are equipped with rapid-fire guns, and, to a certain extent, with power plants, searchlights, and a system of fire control and direction now essential adjuncts of a complete system of defense, though not so considered by that board.

While the details of the scheme of defense recommended by the Endicott board have been departed from in making provision for later developments of war material, the great value of its report lies in the fact that it sets forth a definite and intelligible plan or policy, upon which the very important work of coast defense should proceed, and which is as applicable to-day as when formulated.

The greater effective ranges possible with the later rifled cannon, the necessity of thoroughly covering with gun-fire all available waters of approach and the growth of seacoast towns beyond the limits of some of the military reservations have combined to move defensive works more to the front, and many of the gun positions now occupied have been obtained from private ownership. The cost of such sites has been a large item in the present cost of fortifications, and this purchase of land was not included in its estimates by the Endicott board.

An examination of the report also discloses the fact that no estimates were submitted covering a supply of ammunition to be kept in reserve for the service of the guns that were recommended, due perhaps to the fact that a satisfactory powder to give the energy desired and a suitable projectile to accomplish the desired destruction of armor were still in experimental stages. These questions, however, are no longer in doubt, and Congress already has made provision for some of the ammunition needed.

The omissions in the estimates of the Endicott board and the changes in the details of its plans have caused doubts in the minds of many as to the money that will be needed to defend completely our coasts by guns, mines, and their adjuncts. New localities are pressing their claims for defense. The insular possessions cannot be held unless the principal ports, naval bases, and coaling stations are fortified before the outbreak of war.

These considerations have led me to appoint a joint board of officers of the army and navy " to recommend the armament, fixed and floating, mobile torpedoes, submarine mines, and all other defensive appliances that may be necessary to complete the harbor defense with the most economical and advantageous expenditures of money." The board was further instructed " to extend its examinations so as to include estimates and recommendations relative to defenses of the insular possessions," and to " recommend the order in which the proposed defense shall be completed, so that all the elements of harbor defense may be properly and effectively co-ordinated."

The board has completed its labors and its report, together with a letter of transmittal by the Secretary of War, is herewith transmitted for the information of the Congress. It is to be noted that the entrance to Chesapeake Bay, not heretofore recommended or authorized by Congress, is added to the list of ports in the United States to be defended, with the important reasons therefor clearly stated: that the gun defense proper is well advanced toward completion, and that the greater part of the estimate is for new work of gun defense, for the accessories now so necessary for efficiency, and for an allowance of ammunition, which, added to that already on hand, will give the minimum supply that should be kept in reserve to successfully meet any sudden attack.

The letter of the Secretary of War contains a comparison of the estimates of the Endicott board, with the amounts already appropriated for the present defense and the estimates of the new board, from which it appears that a completed defense of our coasts, omitting cost of ammunition and sites, can be accomplished for less that the amount estimated by the Endicott board, even including the additional localities not recommended by it.

In the insular possessions the great naval bases at Guantanamo, Subig Bay, and Pearl Harbor, the coaling stations at Guam and San Juan require protection, and, in addition, defenses are recommended for Manila Bay and Honolulu, because of the strategic importance of these localities. In the letter of the Secretary of War will be found the sums already appropriated for defenses at some of these ports or harbors, and the estimates are for the completion of an adequate defense at each locality.

Defenses are recommended for the entrances to the Panama Canal, as contemplated by the act of June 28, 1902 (Spooner act), and under the terms of this act the cost of such fortifications would probably be paid from appropriations for the construction and defense of the canal.

The necessity for a complete and adequate system of coast defense is greater to-day than twenty years ago, for the increased wealth of the country offers more tempting inducements to attack, and a hostile fleet can reach our coast in a much shorter period of time.

The fact that we now have a navy does not in any wise diminish the importance of coast defenses; on the contrary, that fact emphasizes their value and the necessity for their construction. It is an accepted naval maxim that a navy can be used to strategic advantage only when acting on the offensive, and it can be free to so operate only after our coast defense is reasonably secure and so recognized by the country.

It was due to the securely defended condition of the Japanese ports that the Japanese fleet was free to seek out and watch its proper objective—the Russian fleet—without fear of interruption or recall to guard its home ports against raids by the Vladivostok squadron. This, one of the most valuable lessons of the late war in the East, is worthy of serious consideration by our country, with its extensive coast line, its many important harbors, and its many wealthy manufacturing coast cities.

The security and protection of our interests require the completion of the defenses of our coast, and the accompanying plan merits and should receive the generous support of the Congress.

THEODORE ROOSEVELT.

SPECIAL MESSAGE.

THE WHITE HOUSE, March 7, 1906.

To the Senate and House of Representatives:

I have signed the Joint Resolution "Instructing the Interstate Commerce Commission to make examinations into the subject of railroad discriminations and monopolies in coal and oil, and report on the same from time to time." I have signed it with hesitation because in the form in which is was passed it achieves very little and may achieve nothing; and it is highly undesirable that a resolution of this kind shall become law in such form as to give the impression of insincerity; that is of pretending to do something which really is not done. But after much hesitation I concluded to sign the resolution because its defects can be remedied by legislation which I hereby ask for; and it must be understood that unless this subsequent legislation is granted the present resolution must be mainly, and may be entirely, inoperative.

Before specifying what this legislation is I wish to call attention to one or two preliminary facts. In the first place, a part of the investigation requested by the House of Representatives in the Resolution adopted February 15, 1905, relating to the Oil Industry, and a further part having to do with the Anthracite Coal Industry, has been for some time under investigation by the Department of Commerce and Labor. These investigations, I am informed, are approaching completion, and before Congress adjourns I shall submit to you the preliminary reports of these investigations. Until these reports are completed the Interstate Commerce Commission could not endeavor to carry out so much of the resolution of Congress as refers to the ground thus already covered without running the risk of seeing the two investigations conflict and therefore render each other more or less nugatory. In the second place, I call your attention to the fact that if an investigation of the nature proposed in this joint resolution is thoroughly and effectively conducted, it will result in giving immunity from criminal prosecution to all persons who are called, sworn and constrained by compulsory process of law to testify as witnesses; though of course such immunity from prosecution is not given to those from whom statements or information, merely, in contradistinction to sworn testimony, is obtained. This is not at all to say that such investigations should not be undertaken. Publicity can by itself often accomplish extraordinary results for good; and the court of public judgment may secure such results where the courts of law are powerless. There are many cases where an investigation securing complete publicity about abuses and giving Congress the material on which to proceed in the enactment of laws, is more useful than a criminal prosecution can possibly be. But it should not be provided for by law without a clear understanding that it may be an alternative instead of an additional remedy; that is, that to carry on the investigation may serve as a bar to the successful prosecution of the offenses disclosed. The official body directed by Congress to make the investigation must, of course, carry out its direction, and therefore the direction should not be given without full appreciation of what it means.

But the direction contained in the Joint Resolution which I have signed will remain almost inoperative unless money is provided to carry out the investigations in question, and unless the Commission in carrying them out is authorized to administer oaths and compel the attendance of witnesses. As the resolution now is, the Commission, which is very busy with its legitimate work and which has no extra money at its disposal, would be able to make the investigation only in the most partial and unsatisfactory manner; and moreover it is questionable whether it could, under this resolution, administer oaths at all or compel the attendance of witnesses. If this power were disputed by the parties investigated the investigation would be held up for a year or two until the courts passed upon it, in which case, during the period of waiting, the Commission could only investigate to the extent and in the manner already provided under its organic law; so that the passage of the resolution would have achieved no good result whatever.

I accordingly recommend to Congress the serious consideration of just what they wish the Commission to do, and how far they wish it to go, having in view the possible incompatibility of conducting an investigation like this and of also proceeding criminally in a court of law; and furthermore, that a sufficient sum, say fifty thousand dollars, be at once added to the current appropriation for the Commission so as to enable them to do the work indicated in a thorough and complete manner; while at the same time the power is explicitly conferred upon them to administer oaths and compel the attendance of witnesses in making the investigation in question, which covers work quite apart from their usual duties. It seems unwise to require an investigation by a commission and then not to furnish either the full legal power or the money, both of which are necessary to render the investigation effective.

THEODORE ROOSEVELT.

SPECIAL MESSAGE.

THE WHITE HOUSE, March 27, 1906.

To the Senate and House of Representatives:

I submit to you herewith the report of the American members of the International Waterways Commission regarding the preservation of Niagara Falls. I also submit to you certain letters from the Secretary of State and the Secretary of War, including memoranda showing what has been attempted by the Department of State in the effort to secure the preservation of the falls by treaty.

I earnestly recommend that Congress enact into law the suggestions of the American members of the International Waterways Commission for the preservation of Niagara Falls, without waiting for the negotiation of a treaty. The law can be put in such form that it will lapse, say in three years, provided that during that time no international agreement has been reached. But in any event I hope that this Nation will make it evident that it is doing all in its power to preserve the great scenic wonder, the existence of which, unharmed, should be a matter of pride to every dweller on this continent.

THEODORE ROOSEVELT.

SPECIAL MESSAGE.

THE WHITE HOUSE, April 17, 1906.

To the Senate and House of Representatives:

I herewith transmit the report and recommendations, with accompanying papers, of the Insurance Convention which met in February last at Chicago. The convention was called because of the extraordinary disclosures of wrongful insurance methods recently made by the Armstrong legislative committee of the State of New York; the suggestion that it should be called coming to me originally from Governor John A. Johnson, of Minnesota, through Commissioner of Insurance Thomas D. O'Brien, of that State. The convention consisted of about one hundred governors, attorneys-general and commissioners of insurance of the States and Territories of the Union. The convention was seeking to accomplish uniformity of insurance legislation throughout the States and Territories, and as a prime step toward this purpose decided to endeavor to secure the enactment by the Congress of the United States of a proper insurance code for the District of Columbia, which might serve as a model for the several States. Before adjourning, the convention appointed a committee of three attorneys-general and twelve commissioners of insurance of the various States to prepare and have presented to the Congress a bill which should embody the features suggested by the convention. The committee recently met in Chicago, and in thorough and painstaking fashion sought to prepare a bill which should be at once protective of policy holders and fair and just to insurance companies, and which should prevent the graver evils and abuses of the business, and at the same time forestall any wild or drastic legislation which would be more harmful than beneficial. The proposed bill is discussed at length in the accompanying letter by Superintendent Thomas E. Drake, of the Department of Insurance, in the District of Columbia.

I very earnestly hope that the Congress at the earliest opportunity will enact this bill into law, with such changes as its wisdom may dictate. I have no expert familiarity with the business, but I have entire faith in the right judgment and single-minded purpose of the insurance convention which met at Chicago, and of the committee of that convention, which formulated the measure herein advocated. We are not to be pardoned it we fail to take every step in our power to prevent the possibility of the repetition of such scandals as those that have occurred in connection with the insurance business as disclosed by the Armstrong committee.

THEODORE ROOSEVELT.

SPECIAL MESSAGE.

THE WHITE HOUSE, April 18, 1906.

To the Senate and House of Representatives:

I submit herewith a letter of the Attorney-General, enclosing a statement of the proceedings by the United States against the individuals and corporations commonly known as the "Beef Packers," and commenting upon the decision of District Judge Humphrey. The result has been a miscarriage of justice. It clearly appears from the letter of the Attorney-General that no criticism whatever attaches to Commissioner Garfield; what he did was in strict accordance with the law and in pursuance of a duty imposed on him by Congress, which could not be avoided; and of course Congress in passing the Martin resolution could not possibly have foreseen the decision of Judge Humphrey.

But this interpretation by Judge Humphrey of the will of the Congress, as expressed in legislation, is such as to make that will absolutely abortive. Unfortunately there is grave doubt whether the Government has the right of appeal from this decision of the District Judge. The case well illustrates the desirability of conferring upon the Government the same right of appeal in criminal cases, on questions of law, which the defendant now has, in all cases where the defendant had not been put in jeopardy by a trial upon the merits of the charge made against him. The laws of many of the States, and the law of the District of Columbia, recently enacted by the Congress, give the Government the right of appeal. A general law of the character indicated should certainly be enacted.

Furthermore it is very desirable to enact a law declaring the true construction of the existing legislation so far as it affects immunity. I can hardly believe that the ruling of Judge Humphrey will be followed by other judges; but if it should be followed, the result would be either completely to nullify very much, and possibly the major part, of the good to be obtained from the interstate commerce law and from the law creating the Bureau of Corporations in the Department of Commerce and Labor; or else frequently to obstruct an appeal to the criminal laws by the Department of Justice. There seems to be no good reason why the Department of Justice, the Department of Commerce and Labor, and the Interstate Commerce Commission, each, should not, for the common good, proceed within its own powers without undue interference with the functions of the other. It is of course necessary, under the Constitution and the laws, that persons who give testimony or produce evidence, as witnesses, should receive immunity from prosecution. It has hitherto been supposed that the immunity conferred by existing laws was only upon persons who, being subpoenaed, had given testimony or produced evidence, as witnesses, relating to any offense with which they were, or might be, charged. But

Judge Humphrey's decision is, in effect, that, if either the Commissioner of Corporations does his duty, or the Interstate Commerce Commission does its, by making the investigations which they by law are required to make, though they issue no subpoena and receive no testimony or evidence, within the proper meaning of these words, the very fact of the investigation may, of itself, operate to prevent the prosecution of any offender for any offense which may have been developed in even the most indirect manner during the course of the investigation, or even for any offense which may have been detected by investigations conducted by the Department of Justice entirely independently of the labors of the Interstate Commerce Commission or of the Commissioner of Corporations,—the only condition of immunity being that the offender should have given, or directed to be given, information which related to the subject out of which the offense has grown.

In offenses of this kind it is at the best hard enough to execute justice upon offenders. Our system of criminal jurisprudence has descended to us from a period when the danger was lest the accused should not have his rights adequately preserved, and it is admirably framed to meet this danger. But at present the danger is just the reverse; that is, the danger nowadays is, not that the innocent man will be convicted of crime, but that the guilty man will go scot-free. This is especially the case where the crime is one of greed and cunning perpetrated by a man of wealth in the course of those business operations where the code of conduct is at variance, not merely with the code of humanity and morality, but with the code as established in the law of the land. It is much easier, but much less effective, to proceed against a corporation, than to proceed against the individuals in that corporation who are themselves responsible for the wrongdoing. Very naturally outside persons who have no knowledge of the facts, and no responsibility for the success of the proceedings, are apt to clamor for action against the individuals. The Department of Justice has, most wisely, invariably refused thus to proceed against individuals, unless it was convinced both that they were in fact guilty and that there was at least a reasonable chance of establishing this fact of their guilt. These beef packing cases offered one of the very few instances where there was not only the moral certainty that the accused men were guilty, but what seemed—and now seems—sufficient legal evidence of the fact.

But in obedience to the explicit order of the Congress the Commissioner of Corporations had investigated the Beef Packing business. The counsel for the beef packers explicitly admitted that there was no claim that any promise of immunity had been given by Mr. Garfield, as shown by the following colloquy during the argument of the Attorney-General:

"Mr. Moody. * * * * I dismiss almost with a word the claim that Mr. Garfield promised immunity. Whether there is any evidence of such a promise or not, I do not know, and I do not care.

"Mr. Miller (the counsel for the beef packers). There is no claim of it.

"Mr. Moody. Then I was mistaken, and I will not even say that word."

But Judge Humphrey holds that if the Commissioner of Corporations (and therefore if the Interstate Commerce Commission) in the course of any investigations prescribed by Congress, asks any questions of a person, not called as a witness, or asks any questions of an officer of a corporation, not called as a witness, with regard to the action of the corporation on a subject out of which prosecutions may subsequently arise, then the fact of such questions having been asked operates as a bar to the prosecution of that person or of that officer of the corporation for his own misdeeds.

Such interpretation of the law comes measurably near making the law a farce; and I therefore recommend that the Congress pass a declaratory act stating its real intention.

THEODORE ROOSEVELT.

SPECIAL MESSAGE.

THE WHITE HOUSE, May 4, 1906

To the Senate and House of Representatives:

I transmit herewith a report by the Commissioner of the Bureau of Corporations in the Department of Commerce and Labor on the subject of transportation and freight rates in connection with the oil industry. The investigation, the results of part of which are summarized in this report, was undertaken in accordance with House Resolution 499, passed February 15, 1905, but for the reasons given in the report it has been more general and extensive than was called for in the resolution itself.

I call your especial attention to the letter of transmittal accompanying and summarizing the report; for the report is of capital importance in view of the effort now being made to secure such enlargement of the powers of the Interstate Commerce Commission as will confer upon the Commission power in some measure adequately to meet the clearly demonstrated needs of the situation. The facts set forth in this report are for the most part not disputed. It is only the inferences from them that are disputed, and even in this respect the dispute is practically limited to the question as to whether the transactions are or are not technically legal. The report shows that the Standard Oil Company has benefited enormously up almost to the present moment by secret rates, many of these secret rates being clearly unlawful. This benefit amounts to at least three-quarters of a million a year. This three-quarters of a million represents the profit that the Standard Oil Company obtains at the expense of the railroads; but of course the ultimate result is that it obtains a much larger profit at the expense of the public. A very striking result of the investigation has been that shortly after the discovery of these secret rates by the Commissioner of Corporations, the major portion of them were promptly corrected by the railroads, so that most of them have now been done away with. This immediate correction, partial or complete, of the evil of the secret rates is of course on the one hand an acknowledgment that they were wrong, and yet were persevered in until exposed; and on the other hand a proof of the efficiency of the work that has been done by the Bureau of Corporations. The Department of Justice will take up the question of instituting prosecutions in at least certain of the cases. But it is most desirable to enact into law the bill introduced by Senator Knox to correct the interpretation of the immunity provision rendered in Judge Humphrey's decision. The hands of the Government have been greatly strengthened in securing an effective remedy by the recent decision of the Supreme Court in the case instituted by the Government against the tobacco trust, which decision permits the Government to examine the books and records of any corporation engaged in interstate commerce; and by the recent conviction and punishment of the Chicago, Burlington and Quincy Railroad and certain of its officers.

But in addition to these secret rates the Standard Oil profits immensely by open rates, which are so arranged as to give it an overwhelming advantage over its independent competitors. The refusal of the railroads in certain cases to prorate produces analogous effects. Thus in New England the refusal of certain railway systems to prorate has resulted in keeping the Standard Oil in absolute monopolistic control of the field, enabling it to charge from three to four hundred thousand dollars a year more to the consumers of oil in New England than they would have had to pay had the price paid been that obtaining in the competitive fields. This is a characteristic example of the numerous evils which are inevitable under a system in which the big shipper and the railroad are left free to crush out all individual initiative and all power of independent action because of the absence of adequate and thorough-going governmental control. Exactly similar conditions obtain in a large part of the West and Southwest. This particular instance exemplifies the fact that the granting to the Government of the power to substitute a proper for an improper rate is in very many instances the only effective way in which to prevent improper discriminations in rates.

It is not possible to put into figures the exact amount by which the Standard profits through the gross favoritism shown it by the railroads in connection with the open rates. The profit of course comes not merely by the saving in the rate itself as compared with its competitors, but by the higher prices it is able to charge, and (even without reference to these higher prices) by the complete control of the market which it secures, thereby getting the profit on the whole consumption. Here again the only way by which the discriminations can be cured is by conferring upon the Interstate Commerce Commission the power to take quick and effective action in regulating the rates.

One feature of the report which is especially worthy of attention is the showing made as to the way in which the law is evaded by treating as State commerce what is in reality merely a part of interstate commerce. It is clearly shown, for instance, that this device is employed on the New York Central Railroad, as well as on many other railroads, in such fashion as to amount to thwarting the purpose of the law, although the forms of the law may be complied with.

It is unfortunately not true that the Standard Oil Company is the only great corporation which in the immediate past has benefited, and is at this moment benefiting, in wholly improper fashion by an elaborate series of rate discriminations, which permit it to profit both at the expense of its rivals and of the general public. The Attorney-General reports to me that the investigation now going on as to the shipments by the sugar trust over the trunk lines running out of New York City tends to show that the sugar trust rarely if ever pays the lawful rate for transportation, and is thus improperly, and probably unlawfully, favored at the expense of its competitors and of the general public.

The argument is sometimes advanced against conferring upon some governmental body the power of supervision and control over interstate commerce, that to do so tends to weaken individual initiative. Investigations such as this conclusively disprove any such allegation. On the contrary, the proper play for individual initiative can only be secured by such governmental supervision as will curb those monopolies which crush out all individual initiative. The railroad itself can not without such Government aid protect the interests of its own stockholders as against one of these great corporations loosely known as trusts.

In the effort to prevent the railroads from uniting for improper purposes we have very unwisely prohibited them from uniting for proper purposes; that is, for purposes of protection to themselves and to the general public as against the power of the great corporations. They should certainly be given power thus to unite on conditions laid down by Congress, such conditions to include the specific approval of the Interstate Commerce Commission of any agreement to which the railroads may come. In addition to this the Government must interfere through its agents to deprive the railroad of the ability to make to the big corporations the concessions which otherwise it is powerless to refuse.

The Government should have power by its agents to examine into the conduct of the railways—that is, the examiners under the direction of the Interstate Commerce Commission should be able to examine as thoroughly into the affairs of the railroad as bank examiners now examine into the affairs of banks.

It is impossible to work a material improvement in conditions such as above described merely through the instrumentality of a law suit. A law suit is often a necessary method; but by itself it is an utterly inadequate method. What is needed is the conferring upon the Commission of ample affirmative power, so conferred as to make its decisions take effect at once, subject only to such action by the court as is demanded by the Constitution. The courts have the power to, and will undoubtedly, interfere if the action of the Commission should become in effect confiscatory of the property of an individual or corporation, or if the Commission should undertake to do anything beyond the authority conferred upon it by the law under which it is acting. I am well aware that within the limits thus set the Commission may at times be guilty of injustice; but far grosser and far more frequent injustice, and injustice of a much more injurious kind, now results and must always result from the failure to give the Commission ample power to act promptly and effectively within these broad limits.

Though not bearing upon the question of railroad rates, there are two measures, consideration of which is imperatively suggested by the submission of this report. The Standard Oil Company has, largely by unfair or unlawful methods, crushed out home competition. It is highly desirable that an element of competition should be introduced by the passage of some such law as that which has already passed the House, putting alcohol used in the arts and manufactures upon the free list. Furthermore, the time has come when no oil or coal lands held by the Government, either upon the public domain proper or in territory owned by the Indian tribes, should be alienated. The fee to such lands should be kept in the United States Government whether or not the profits arising from it are to be given to any Indian tribe, and the lands should be leased only on such terms and for such periods as will enable the Government to keep entire control thereof.

THEODORE ROOSEVELT.

SPECIAL MESSAGE.

THE WHITE HOUSE, *June 4, 1906.*

To the Senate and House of Representatives:

I transmit herewith the report of Mr. James Bronson Reynolds and Commissioner Charles P. Neill, the special committee whom I appointed to investigate into the conditions in the stock yards of Chicago and report thereon to me. This report is of a preliminary nature. I submit it to you now because it shows the urgent need of immediate action by the Congress in the direction of providing a drastic and thoroughgoing inspection by the Federal government of all stockyards and packing houses and of their products, so far as the latter enter into interstate or foreign commerce. The conditions shown by even this short inspection to exist in the Chicago stock yards are revolting. It is imperatively necessary in the interest of health and of decency that they should be radically changed. Under the existing law it is wholly impossible to secure satisfactory results.

When my attention was first directed to this matter an investigation was made under the Bureau of Animal Industry of the Department of Agriculture. When the preliminary statements of this investigation were brought to my attention they showed such defects in the law and such wholly unexpected conditions that I deemed it best to have a further immediate investigation by men not connected with the bureau, and accordingly appointed Messrs. Reynolds and Neill. It was impossible under existing law that satisfactory work should be done by the Bureau of Animal Industry. I am now, however, examining the way in which the work actually was done.

Before I had received the report of Messrs. Reynolds and Neill I had directed that labels placed upon any package of meat food products should state only that the carcass of the animal from which the meat was taken had been inspected at the time of slaughter. If inspection of meat food products at all stages of preparation is not secured by the passage of the legislation recommended I shall feel compelled to order that inspection labels and certificates on canned products shall not be used hereafter.

The report shows that the stock yards and packing houses are not kept even reasonably clean, and that the method of handling and preparing food products is uncleanly and dangerous to health. Under existing law the National Government has no power to enforce inspection of the many forms of prepared meat food products that are daily going from the packing houses into interstate commerce. Owing to an inadequate appropriation the Department of Agriculture is not even able to place inspectors in all establishments desiring them. The present law prohibits the shipment of uninspected meat to foreign countries, but there is no provision forbidding the shipment of uninspected meats in interstate commerce, and thus the avenues of interstate commerce are left open to traffic in diseased or spoiled meats.

If, as has been alleged on seemingly good authority, further evils exist, such as the improper use of chemicals and dyes, the Government lacks power to remedy them.

A law is needed which will enable the inspectors of the general Government to inspect and supervise from the hoof to the can the preparation of the meat food product. The evil seems to be much less in the sale of dressed carcases than in the sale of canned and other prepared products; and very much less as regards products sent abroad than as regards those used at home.

In my judgment the expense of the inspection should be paid by a fee levied on each animal slaughtered. If this is not done, the whole purpose of the law can at any time be defeated through an insufficient appropriation; and whenever there was no particular public interest in the subject it would be not only easy, but natural thus to make the appropriation insufficient. If it were not for this consideration I should favor the government paying for the inspection.

The alarm expressed in certain quarters concerning this feature should be allayed by a realization of the fact that in no case, under such a law, will the cost of inspection exceed 8 cents per head.

I call special attention to the fact that this report is preliminary, and that the investigation is still unfinished. It is not yet possible to report on the alleged abuses in the use of deleterious chemical compounds in connection with canning and preserving meat products, nor on the alleged doctoring in this fashion of tainted meat and of products returned to the packers as having grown unsalable or unusable from age or from other reasons. Grave allegations are made in reference to abuses of this nature.

Let me repeat that under the present law there is practically no method of stopping these abuses if they should be discovered to exist. Legislation is needed in order to prevent the possibility of all abuses in the future. If no legislation is passed, then the excellent results accomplished by the work of this special commtitee will endure only so long as the memory of the committee's work is fresh, and a recrudescence of the abuses is absolutely certain.

I urge the immediate enactment into law of provisions which will enable the Department of Agriculture adequately to inspect the meat and meat-food products entering into interstate commerce and to supervise the methods of preparing the same, and to prescribe the sanitary conditions under which the work shall be performed. I therefore commend to your favorable consideration, and urge the enactment of substantially the provisions known as Senate amendment No. 29 to the act making appropriations for the Department of Agriculture for the fiscal year ending June 30, 1907, as passed by the Senate, this amendment being commonly known as the "Beveridge amendment."

THEODORE ROOSEVELT.

SPECIAL MESSAGE.

THE WHITE HOUSE, December 11, 1906.

To the Senate and House of Representatives:

On November 21st I visited the island of Porto Rico, landing at Ponce, crossing by the old Spanish road by Cayey to San Juan, and returning next morning over the new American road from Arecibo to Ponce; the scenery was wonderfully beautiful, especially among the mountains of the interior, which constitute a veritable tropic Switzerland. I could not embark at San Juan because the harbor has not been dredged out and cannot receive an American battleship. I do not think this fact creditable to us as a nation, and I earnestly hope that immediate provision will be made for dredging San Juan harbor.

I doubt whether our people as a whole realize the beauty and fertility of Porto Rico, and the progress that has been made under its admirable government. We have just cause for pride in the character of our representatives who have administered the tropic islands which came under our flag as a result of the war with Spain; and of no one of them is this more true than of Porto Rico. It would be impossible to wish a more faithful, a more efficient and a more disinterested public service than that now being rendered in the island of Porto Rico by those in control of the insular government.

I stopped at a dozen towns, all told, and one of the notable features in every town was the gathering of the school children. The work that has been done in Porto Rico for education has been noteworthy. The main emphasis, as is eminently wise and proper, has been put upon primary education; but in addition to this there is a normal school, an agricultural school, three industrial and three high schools. Every effort is being made to secure not only the benefits of elementary education to all the Porto Ricans of the next generation, but also as far as means will permit to train them so that the industrial, agricultural, and commercial opportunities of the island can be utilized to the best possible advantage. It was evident at a glance that the teachers, both Americans and native Porto Ricans, were devoted to their work, took the greatest pride in it, and were endeavoring to train their pupils, not only in mind, but in what counts for far more than mind in citizenship, that is, in character.

I was very much struck by the excellent character both of the insular police and of the Porto Rican regiment. They are both of them bodies that reflect credit upon the American administration of the island. The insular police are under the local Porto Rican government. The Porto Rican regiment of troops must be appropriated for by the Congress. I earnestly hope that this body will be kept permanent. There should certainly be troops in the island, and it is wise that these troops should be themselves native Porto Ricans. It would be from every standpoint a mistake not to perpetuate this regiment.

In traversing the island even the most cursory survey leaves the beholder struck with the evident rapid growth in the culture both of the sugar cane and tobacco. The fruit industry is also growing. Last year was the most prosperous year that the island has ever known, before or since the American occupation. The total of exports and imports of the island was forty-five millions of dollars as against eighteen millions in 1901. This is the largest in the island's history. Prior to the American occupation the greatest trade for any one year was that of 1896, when it reached nearly $23,000,000. Last year, therefore, there was double the trade that there was in the most prosperous year under the Spanish regimé. There were 210,273 tons of sugar exported last year, of the value of $14,186,319; $3,555,163 of tobacco and 28,290,322 pounds of coffee of the value of $3,481,102. Unfortunately, what used to be Porto Rico's prime cup—coffee—has not shared this prosperity. It has never recovered from the disaster of the hurricane, and moreover, the benefit of throwing open our market to it has not compensated for the loss inflicted by the closing of the markets to it abroad. I call your attention to the accompanying memorial on this subject of the board of trade of San Juan, and I earnestly hope that some measure will be taken for the benefit of the excellent and high-grade Porto Rican coffee.

In addition to delegations from the board of trade and chamber of commerce of San Juan, I also received delegations from the Porto Rican Federation of Labor and from the Coffee Growers' Association.

There is a matter to which I wish to call your special attention, and that is the desirability of conferring full American citizenship upon the people of Porto Rico. I most earnestly hope that this will be done. I cannot see how any harm can possibly result from it, and it seems to me a matter of right and justice to the people of Porto Rico. They are loyal, they are glad to be under our flag, they are making rapid progress along the path of orderly liberty. Surely we should show our appreciation of them, our pride in what they have done, and our pleasure in extending recognition for what has thus been done, by granting them full American citizenship.

Under the wise administration of the present governor and council marked progress has been made in the difficult matter of granting to the people of the island the largest measure of self-government that can with safety be given at the present time. It would have been a very serious mistake to have gone any faster than we have already gone in this direction. The Porto Ricans have complete and absolute autonomy in all their municipal governments, the only power over them possessed by the insular government being that of removing corrupt or incompetent municipal officials. This power has never been exercised save on the clearest proof of corruption or of incompetence—such as to jeopardize the interests of the people of the island, and under such circumstances it has been fearlessly used to the immense benefit of the people. It is not a power with which it would be safe, for the sake of the island itself, to dispense at present. The lower house is absolutely elective, while the upper house is appointive. This scheme is working well; no injustice of any kind results from it, and great benefit to the island, and it should certainly not be changed at this time. The machinery of the elections is administered entirely by the Porto Rican people themselves, the governor and council keeping only such supervision as is necessary in order to insure an orderly election. Any protest as to electoral frauds is settled in the courts.

Here, again, it would not be safe to make any change in the present system. The elections this year were absolutely orderly, unaccompanied by any disturbance, and no protest has been made against the management of the elections, although three contests are threatened where the majorities were very small and error was claimed; the contests, of course, to be settled in the courts. In short, the governor and council are co-operating with all of the most enlightened and most patriotic of the people of Porto Rico in educating the citizens of the island in the principles of orderly liberty. They are providing a government based upon each citizen's self-respect and the mutual respect of all citizens—that is, based upon a rigid observance of the principles of justice and honesty. It has not been easy to instill into the minds of the people unaccustomed to the exercise of freedom the two basic principles of our American system—the principle that the majority must rule and the principle that the minority has rights which must not be disregarded or trampled upon. Yet real progress has been made in having these principles accepted as elementary, as the foundations of successful self-government.

I transmit herewith the report of the governor of Porto Rico, sent to the President through the Secretary of State.

All the insular governments should be placed in one bureau, either in the Department of War or the Department of State. It is a mistake not so to arrange our handling of these islands at Washington as to be able to take advantage of the experience gained in one when dealing with the problems that from time to time arise in another.

In conclusion let me express my admiration for the work done by the Congress when it enacted the law under which the island is now being administered. After seeing the island personally, and after five years' experience in connection with its administration, it is but fair to those who devised this law to say that it would be well-nigh impossible to have devised any other which in the actual working would have accomplished better results.

THEODORE ROOSEVELT.

SPECIAL MESSAGE.

THE WHITE HOUSE, December 17, 1906.

To the Senate and House of Representatives:

The developments of the past year emphasize with increasing force the need of vigorous and immediate action to recast the public land laws and adapt them to the actual situation. The timber and stone act has demonstrated conclusively that its effect is to turn over the public timber lands to great corporations. It has done enormous harm, it is no longer needed, and it should be repealed.

The desert land act results so frequently in fraud and so comparatively seldom in making homes on the land that it demands radical amendment. That provision which permits assignment before patent should be repealed, and the entryman should be required to live for not less than two years at home on the land before patent issues. Otherwise the desert land law will continue to assist speculators and other large holders to get control of land and water on the public domain by indefensible means. The commutation clause of the homestead act, in a majority of cases, defeats the purpose of the homestead act itself, which is to facilitate settlement and create homes. In theory the commutation clause should assist the honest settler and doubtless in some cases it does so. Far more often it supplies the means by which speculators and loan and mortgage companies secure possession of the land. Actual—not constructive—living at home on the land for three years should be required before commutation, unless it should appear wiser to repeal the commutation clause altogether. These matters are more fully discussed in the report of the public lands commission, to which I again call your attention.

I am gravely concerned at the extremely unsatisfactory condition of the public land laws and at the prevalence of fraud under their present provisions. For much of this fraud the present laws are chiefly responsible. There is but one way by which the fraudulent acquisition of these lands can be definitely stopped, and therefore I have directed the Secretary of the Interior to allow no patent to be issued to public land under any law until by an examination on the ground actual compliance with that law has been found to exist. For this purpose an increase of special agents in the general land office is urgently required. Unless it is given, bona fide would-be settlers will be put to grave inconvenience, or else the fraud will in large part go on. Further, the Secretary of the Interior should be enabled to employ enough mining experts to examine the validity of all mineral land claims, and to undertake the supervision and control of the use of the mineral fuels still belonging to the United States. The present coal law limiting the individual entry to 160 acres puts a premium on fraud by making it impossible to develop certain types of coal fields and yet comply with the law. It is a scandal to maintain laws which sound well, but which make fraud the key without which great natural resources must remain closed. The law should give individuals and corporations, under proper government regulation and control (the details of which I shall not at present discuss) the right to work bodies of coal land large enough for profitable development. My own belief is that there should be provision for leasing coal, oil and gas rights under proper restrictions. If the additional force of special agents and mining experts I recommend is provided and well used, the result will be not only to stop the land frauds, but to prevent delays in patenting valid land claims, and to conserve the indispensable fuel resources of the nation.

Many of the existing laws affecting rights of way and privileges on public lands and reservations are illogical and unfair. Some work injustice by granting valuable rights in perpetuity without return. Others fail to protect the grantee in his possession of permanent improvements made at large expense. In fairness to the government, to the holders of rights and privileges on the public lands, and to the people whom the latter serve, I urge the revision and re-enactment of these laws in one comprehensive act, providing that the regulations and the charge now in force in many cases may be extended to all, to the end that unregulated or monopolistic control of great natural resources may not be acquired or misused for private ends.

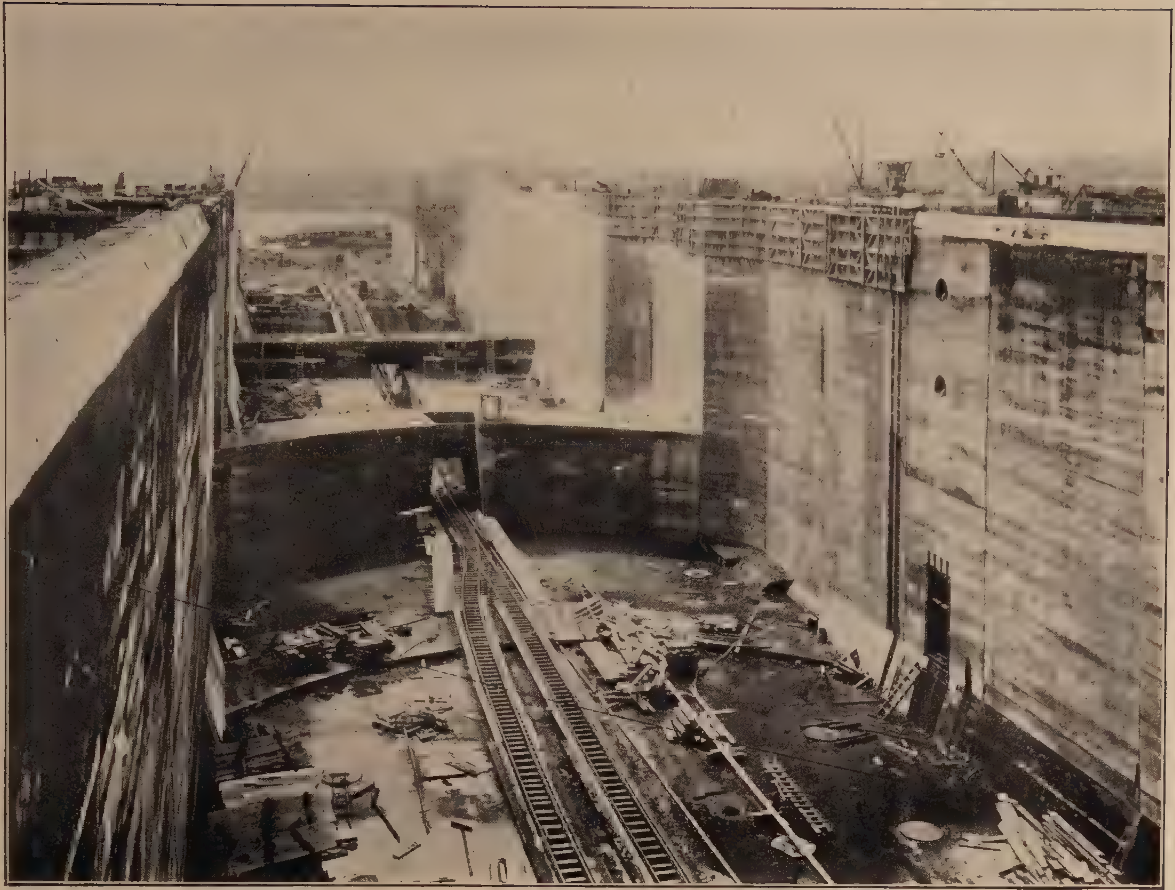
The boundaries of the national forest reserves unavoidably include certain valuable timber lands not owned by the government. Important among them are the land grants of various railroads. For more than two years negotiations with the land grant railroads have been in progress looking toward an arrangement by which the forest on railroad lands within national forest reserve may be preserved by the removal of the present crop of timber under rules prescribed by the forest service, and its perpetuation may be assured by the transfer of the land to the government without cost. The advantage of such an arrangement to the government lies in the acquisition of lands whose protection is necessary to the general welfare. The advantage to the railroads is found in the proposal to allow them to consolidate their holdings of timber within forest reserves by exchange after deeding their lands to the government, and thus to cut within a limited time solid bodies of timber instead of alternate sections, although the amount of timber in each case would be the same. It is possible that legislation will be required to authorize this or a similar arrangement with the railroads and other owners. If so, I recommend that it be enacted.

The money value of the national forests now reserved for the use and benefit of the people exceeds considerably the sum of one thousand millions of dollars. The stumpage value of the standing timber approaches seven hundred million dollars, and, together with the range and timber lands, the water for irrigation and power, and the subsidiary values, reaches an amount equal to that of the national property now under the immediate control of the army and navy together. But this vast domain is withheld from serving the nation as freely and fully as it might by the lack of capital to develop it. The yearly running expenses are sufficiently met by the annual appropriation and the proceeds of the forests. Under the care of the forest service the latter are increasing at the rate of more than half a million dollars a year; the estimate of appropriation for the present year is less than for last year, and it is confidently expected that by 1910 the forest service will be entirely self-supporting. In the meantime there is the most urgent need for trails, fences, cabins for the rangers, bridges, telephone lines and other items of equipment, without which the reserves cannot be handled to advantage, cannot be protected properly and cannot contribute as they should to the general welfare. Expenditures for such permanent improvements are properly chargeable to capital account. The lack of reasonable working equipment weakens the protection of the national forests and greatly limits their production. This want cannot be supplied from the appropriation for running expenses. The need is urgent. Accordingly, I recommend that the Secretary of the Treasury be authorized to advance to the forest service, upon the security of the standing timber, an amount, say $5,000,000, sufficient to provide a reasonable working capital for the national forests, to bear interest and to be repaid in annual installments beginning in ten years.

The national parks of the west are forested and they lie without exception within or adjacent to national forest reserves. Two years ago the latter were transferred to the care of the Secretary of Agriculture, with the most satisfactory results. The same reasons which led to this transfer make advisable a similar transfer of the national parks, now in charge of the Secretary of the Interior, and I recommend legislation to that end.

Within or adjoining national forests are considerable areas of Indian lands of more value under forest than for any other purpose. It would aid greatly in putting these lands to their best use if the power to create national forests by proclamation were extended to cover them. The Indians should be paid the full value of any land thus taken for public purposes from the proceeds of the lands themselves, but such land should revert to the Indians if it is excluded from national forest use before full payment has been made.

The control of grazing in the national forests is an assured success. The condition of the range is improving rapidly, water is being developed, much feed formerly wasted is now saved and used, range controversies are settled, opposition to the grazing fee is practically at an end, and the stockmen are earnestly supporting the forest service



PANAMA CANAL: UPPER GATUN LOCKS, SEPTEMBER, 1910

THE PANAMA CANAL

The commencement of the task of constructing the Panama Canal was the most important event of Roosevelt's Administration. The history of the undertaking is written by Roosevelt himself on pages 6662, 6758, 6881, 6901, 7401, 7480, 7611, 7648, 7667, 7685 and 7728. The message commencing on page 7685 describes his visit of inspection to the canal zone. President Taft continued the narrative, pages 7750, 7754, 7803, 7863 and 7898. The reader who desires a brief recital of the facts should refer to the article entitled "Panama Canal" in the encyclopedic index (volume eleven). The index references following this article will enable the reader to glean a complete and authentic knowledge of the subject from the messages of the Presidents, from Jackson to Taft, who have discussed the project.

and co-operating with it effectively for the improvement of the range.

The situation on the open government range is strikingly different. Its carrying capacity has probably been reduced one-half by over grazing and is still falling. Range controversies in many places are active and bitter, and life and property are often in danger. The interests both of the live stock industry and of the government are needlessly impaired. The present situation is indefensible from any point of view and it should be ended.

I recommend that a bill be enacted which will provide for government control of the public range through the Department of Agriculture, which alone is equipped for that work. Such a bill should insure to each locality rules for grazing specially adapted to its needs and should authorize the collection of a reasonable grazing fee. Above all, the rights of the settler and home-maker should be absolutely guaranteed.

Much of the public land can only be used to advantage for grazing when fenced. Much fencing has been done for that reason and also to prevent other stock owners from using land to which they have an equal right under the law. Reasonable fencing which promotes the use of the range and yet interferes neither with settlement nor with other range rights would be thoroughly desirable if it were legal. Yet the law forbids it, and the law must and will be enforced; I will see to it that the illegal fences are removed unless Congress at the present session takes steps to legalize proper fencing by government control of the range.

THEODORE ROOSEVELT.

SPECIAL MESSAGE.

THE WHITE HOUSE, December 17, 1906.

To the Senate and House of Representatives:

In the month of November I visited the Isthmus of Panama, going over the Canal Zone with considerable care; and also visited the cities of Panama and Colon, which are not in the Zone or under the United States flag, but as to which the United States Government, through its agents, exercises control for certain sanitary purposes.

The U. S. S. *Louisiana,* on which I was, anchored off Colon about half past two on Wednesday afternoon, November 14. I came aboard her, after my stay on shore, at about half past 9 on Saturday evening, November 17. On Wednesday afternoon and evening I received the President of Panama and his suite, and saw members of the Canal Commission, and various other gentlemen, perfecting the arrangement for my visit, so that every hour that I was ashore could be employed to advantage. I was three days ashore—not a sufficient length of time to allow of an exhaustive investigation of the minutiæ of the work of any single department, still less to pass judgment on the engineering problems, but enough to enable me to get a clear idea of the salient features of the great work and of the progress that has been made as regards the sanitation of the Zone, Colon, and Panama, the caring for and housing of the employees, and the actual digging of the canal. The Zone is a narrow strip of land, and it can be inspected much as one can inspect 50 or 60 miles of a great railroad, at the point where it runs through mountains or overcomes other national obstacles.

I chose the month of November for my visit partly because it is the rainiest month of the year, the month in which the work goes forward at the greatest disadvantage, and one of the two months which the medical department of the French Canal Company found most unhealthy.

Immediately after anchoring on the afternoon of Wednesday there was a violent storm of wind and rain. From that time we did not again see the sun until Saturday morning, the rain continuing almost steadily, but varying from a fine drizzle to a torrential downpour. During that time in fifteen minutes at Cristobal 1.05 inches of rain fell; from 1 to 3 A. M., November 16, 3.2 inches fell; for the twenty-four hours ending noon, November 16, 4.68 inches fell, and for the six days ending noon, November 16, 10.24 inches fell. The Chagres rose in flood to a greater height than it had attained during the last fifteen years, tearing out the track in one place. It would have been impossible to see the work going on under more unfavorable weather conditions. On Saturday, November 17, the sun shone now and then for a few minutes. although the day was generally overcast and there were heavy showers at intervals.

On Thursday morning we landed at about half past seven and went slowly over the line of the Panama Railway, ending with an expedition in a tug at the Pacific entrance of the canal out to the islands where the dredging for the canal will cease. We took our dinner at one of the eating houses furnished by the Commission for the use of the Government employees—no warning of our coming being given. I inspected the Ancon Hospital, going through various wards both for white patients and for colored patients. I inspected portions of the constabulary (Zone police), examining the men individually. I also examined certain of the schools and saw the school children, both white and colored, speaking with certain of the teachers. In the afternoon of this day I was formally received in Panama by President Amador, who, together with the Government and all the people of Panama, treated me with the most considerate courtesy, for which I hereby extend my most earnest thanks. I was driven through Panama and in a public square was formally received and welcomed by the

President and other members of the Government; and in the evening I attended a dinner given by the President, and a reception, which was also a Government function. I also drove through the streets of Panama for the purpose of observing what had been done. We slept at the Hotel Tivoli, at Ancon, which is on a hill directly outside of the city of Panama, but in the Zone.

On Friday morning we left the hotel at 7 o'clock and spent the entire day going through the Culebra cut—the spot in which most work will have to be done in any event. We watched the different steam shovels working; we saw the drilling and blasting; we saw many of the dirt trains (of the two different types used), both carrying the earth away from the steam shovels and depositing it on the dumps—some of the dumps being run out in the jungle merely to get rid of the earth, while in other cases they are being used for double-tracking the railway, and in preparing to build the great dams. I visited many of the different villages, inspecting thoroughly many different buildings—the local receiving hospitals, the houses in which the unmarried white workmen live, those in which the unmarried colored workmen live; also the quarters of the white married employees and of the married colored employees; as well as the commissary stores, the bath houses, the water-closets, the cook sheds for the colored laborers, and the Government canteens, or hotels, at which most of the white employees take their meals. I went through the machine shops. During the day I talked with scores of different men—superintendents and heads of departments, divisions, and bureaus; steam-shovel men, machinists, conductors, engineers, clerks, wives of the American employees, health officers, colored laborers, colored attendants, and managers of the commissary stores where food is sold to the colored laborers; wives of the colored employees who are married. In the evening I had an interview with the British consul, Mr. Mallet, a gentleman who for many years has well and honorably represented the British Government on the Isthmus of Panama and who has a peculiar relation to our work because the bulk of the colored laborers come from the British West Indies. I also saw the French consul, Mr. Gey, a gentleman of equally long service and honorable record. I saw the lieutenants, the chief executive and administrative officers, under the engineering and sanitary departments. I also saw and had long talks with two deputations—one of machinists and one representing the railway men of the dirt trains—listening to what they had to say as to the rate of pay and various other matters and going over, as much in detail as possible, all the different questions they brought up. As to some matters I was able to meet their wishes; as to others, I felt that what they requested could not be done consistently with my duty to the United States Government as a whole; as to yet others I reserved judgment.

On Saturday morning we started at 8 o'clock from the hotel. We went through the Culebra cut, stopping off to see the marines, and also to investigate certain towns; one, of white employees, as to which in certain respects complaint had been made to me; and another town where I wanted to see certain houses of the colored employees. We went over the site of the proposed Gatun dam, having on the first day inspected the sites of the proposed La Boca and Sosa dams. We went out on a little toy railway to the reservoir, which had been built to supply the people of Colon with water for their houses. There we took lunch at the engineers' mess. We then went through the stores and shops of Cristobal, inspecting carefully the houses of both the white and colored employees, married and unmarried, together with the other buildings. We then went to Colon and saw the fire department at work; in four minutes from the signal the engines had come down to Front street, and twenty-one 2½-inch hose pipes were raising streams of water about 75 feet high. We rode about Colon, through the various streets, paved, unpaved, and in process of paving, looking at the ditches, sewers, curbing, and the lights. I then went over the Colon hospital in order to compare it with the temporary town or field receiving hospitals which I had already seen and inspected. I also inspected some of the dwellings of the employees. In the evening I attended a reception given by the American employees on the Isthmus, which took place on one of the docks in Colon, and from there went aboard the Louisiana.

Each day from twelve to eighteen hours were spent in going over and inspecting all there was to be seen, and in examining various employees. Throughout my trip I was accompanied by the Surgeon-General of the Navy, Dr. Rixey; by the Chairman of the Isthmian Canal Commission, Mr. Shonts; by Chief Engineer Stevens; by Dr. Gorgas, the chief sanitary officer of the Commission; by Mr. Bishop, the Secretary of the Commission; by Mr. Ripley, the Principal Assistant Engineer; by Mr. Jackson Smith, who has had practical charge of collecting and handling the laboring force; by Mr. Bierd, general manager of the railway, and by Mr. Rogers, the general counsel of the Commission; and many other officials joined us from time to time.

At the outset I wish to pay a tribute to the amount of work done by the French Canal Company under very difficult circumstances. Many of the buildings they put up were excellent and are still in use, though, naturally, the houses are now getting out of repair and are being used as dwellings only until other houses can be built, and much of the work they did in the Culebra cut, and some of the work they did in digging has been of direct and real benefit. This country has never made a better investment than the $40,000,000 which it paid to the French Company for work and betterments, including especially the Panama Railroad.

An inspection on the ground at the height of the rainy season served to convince me of the wisdom of Congress in refusing to adopt either a high-level or a sea-level canal. There seems to be a universal agreement among all people competent to judge that the Panama route, the one actually chosen, is much superior to both the Nicaragua and Darien routes.

The wisdom of the canal management has been shown in nothing more clearly than in the way in which the foundations of the work have been laid. To have yielded to the natural impatience of ill-informed outsiders and begun all kinds of experiments in work prior to a thorough sanitation of the Isthmus, and to a fairly satisfactory working out of the problem of getting and keeping a sufficient labor supply, would have been disastrous. The various preliminary measures had to be taken first; and these could not be taken so as to allow us to begin the real work of construction prior to January 1 of the present year. It then became necessary to have the type of the canal decided, and the only delay has been the necessary delay until the 29th day of June, the date when the Congress definitely and wisely settled that we should have an 85-foot level canal. Immediately after that the work began in hard earnest and has been continued with increasing vigor ever since; and it will continue so to progress in the future. When the contracts are let the conditions will be such as to insure a constantly increasing amount of performance.

The first great problem to be solved, upon the solution of which the success of the rest of the work depended, was the problem of sanitation. This was from the outset under the direction of Dr. W. C. Gorgas, who is to be made a full member of the Commission. It must be remembered that his work was not mere sanitation as the term is understood in our ordinary municipal work. Throughout the Zone and in the two cities of Panama and Colon, in addition to the sanitation work proper, he has had to do all the work that the Marine-Hospital Service does as regards the Nation, that the health department officers do in the various States and cities, and that Colonel Waring did in New York when he cleaned its streets. The results have been astounding. The Isthmus had been a by-word for deadly unhealthfulness. Now, after two years of our occupation the conditions as regards sickness and the death rate compare favorably with reasonably healthy localities in the United States. Especial care has been devoted to minimizing the risk due to the presence of those species of mosquitoes which have been found to propagate malarial and yellow fevers. In all the settlements, the little temporary towns or cities composed of the white and black employees, which grow up here and there in the tropic jungle as the needs of the work dictate, the utmost care is exercised to keep the conditions healthy. Everywhere are to be seen the drainage ditches which in removing the water have removed the breeding places of the mosquitoes, while the whole jungle is cut away for a considerable space around the habitations, thus destroying the places in which the mosquitoes take shelter. These drainage ditches and clearings are in evidence in every settlement, and, together with the invariable presence of mosquito screens around the piazzas, and of mosquito doors to the houses, not to speak of the careful fumigation that has gone on in all infected houses, doubtless explain the extraordinary absence of mosquitoes. As a matter of fact, but a single mosquito, and this not of the dangerous species, was seen by any member of our party during my three days on the Isthmus. Equal care is taken by the inspectors of the health department to secure cleanliness in the houses and proper hygienic conditions of every kind. I inspected between twenty and thirty water-closets, both those used by the white employees and those used by the colored laborers. In almost every case I found the conditions perfect. In but one case did I find them really bad. In this case, affecting a settlement of unmarried white employees, I found them very bad indeed, but the buildings were all inherited from the French Company and were being used temporarily while other buildings were in the course of construction; and right near the defective water closet a new and excellent closet with a good sewer pipe was in process of construction and nearly finished. Nevertheless this did not excuse the fact that the bad condition had been allowed to prevail. Temporary accommodation, even if only such as soldiers use when camped in the field, should have been provided. Orders to this effect were issued. I append the report of Dr. Gorgas on the incident. I was struck, however, by the fact that in this instance, as in almost every other where a complaint was made which proved to have any justification whatever, it appeared that steps had already been taken to remedy the evil complained of, and that the trouble was mainly due to the extreme difficulty, and often impossibility, of providing in every place for the constant increase in the numbers of employees. Generally the provision is made in advance, but it is not possible that this should always be the case; when it is not there ensues a period of time during which the conditions are unsatisfactory, until a remedy can be provided; but I never found a case where the remedy was not being provided as speedily as possible.

I inspected the large hospitals at Ancon and Colon, which are excellent examples of what tropical hospitals should be. I also inspected the receiving hospitals in various settlements. I went through a number of the wards in which the colored men are treated, a number of those in which the white men are treated—Americans and Spaniards. Both white men and black men are treated exactly alike, and their treatment is as good as that which could be obtained in our first-class hospitals at home. All the patients that I saw, with one or two exceptions, were laborers or other employees on the canal works and railways, most of them being colored men of the ordinary laborer stamp. Not only are the men carefully cared for whenever they apply for care, but so far as practicable a watch is kept to see that if they need it they are sent to the hospitals, whether they desire to go or not. From no responsible source did any complaint come to me as to the management of the hospital service, although occasionally a very ignorant West India negro when he is first brought into the hospital becomes frightened by the ordinary hospital routine.

Just at present the health showing on the Isthmus is remarkably good—so much better than in most sections of the United States that I do not believe that it can possibly continue at quite its present average. Thus, early in the present year a band of several hundred Spaniards were brought to the Isthmus as laborers, and additions to their number have been made from time to time; yet since their arrival in February last but one of those Spaniards thus brought over to work on the canal has died of disease, and he of typhoid fever. Two others were killed, one in a railroad accident, and one by a dynamite explosion. There has been for the last six months a well-nigh steady decline in the death rate for the population of the Zone, this being largely due to the decrease in deaths from pneumonia, which has been the most fatal disease on the Isthmus. In October there were ninety-nine deaths of every kind among the employees of the Isthmus. There were then on the rolls 5,500 whites, seven-eighths of them being Americans. Of these whites but two died of disease, and as it happened neither man was an American. Of the 6,000 white Americans, including some 1,200 women and children, not a single death has occurred in the past three months, whereas in an average city in the United States the number of deaths for a similar number of people in that time would have been about thirty from disease. This very remarkable showing cannot of course permanently obtain, but it certainly goes to prove that if good care is taken the Isthmus is not a particularly unhealthy place. In October, of the 19,000 negroes on the roll 86 died from disease; pneumonia being the most destructive disease, and malarial fever coming second. The difficulty of exercising a thorough supervision over the colored laborers is of course greater than is the case among the whites, and they are also less competent to take care of themselves, which accounts for the fact that their death rate is so much higher than that of the whites, in spite of the fact that they have been used to similar climatic conditions. Even among the colored employees it will be seen that the death rate is not high.

In Panama and Colon the death rate has also been greatly reduced, this being directly due to the vigorous work of the special brigade of employees who have been inspecting houses where the stegomyia mosquito is to be found, and destroying its larvæ and breeding places, and doing similar work in exterminating the malarial mosquitoes—in short, in performing all kinds of hygienic labor. A little over a year ago all kinds of mosquitoes, including the two fatal species, were numerous about the Culebra cut. In this cut during last October every room of every house was carefully examined, and only two mosquitoes, neither of them of the two fatal species, were found. Unfaltering energy in inspection and in disinfecting and in the work of draining and of clearing brush are responsible for the change. I append Dr. Gorgas's report on the health conditions; also a letter from Surgeon-General Rixey to Dr. Gorgas. The Surgeon-General reported to me that the hygienic conditions on the Isthmus were about as good as, for instance, those in the Norfolk Navy-Yard.

Corozal, some four miles from La Boca, was formerly one of the most unsanitary places on the Isthmus, probably the most unsanitary. There was a marsh with a pond in the middle. Dr. Gorgas had both the marsh and pond drained and the brush cleared off, so that now, when I went over the ground, it appeared like a smooth meadow intersected by drainage ditches. The breeding places and sheltering spots of the dangerous mosquitoes had been completely destroyed. The result is that Corozal for the last six months (like La Boca, which formerly also had a very unsanitary record), shows one of the best sick rates in the Zone, having less than 1 per cent a week admitted to the hospital. At Corozal there is a big hotel filled with employees of the Isthmian Canal Commission, some of them with their wives and families. Yet this healthy and attractive spot was stigmatized as a "hog wallow" by one of the least scrupulous and most foolish of the professional scandal-mongers who from time to time have written about the Commission's work.

The sanitation work in the cities of Panama and Colon has been just as important as in the Zone itself, and in many respects much more difficult; because it was necessary to deal with the already existing population, which naturally had scant sympathy with revolutionary changes, the value of which they were for a long time not able to perceive. In Colon the population consists largely of colored laborers who, having come over from the West Indies to work on the canal, abandon the work and either take to the brush or lie idle in Colon itself; thus peopling Colon with the least desirable among the imported laborers, for the good and steady men of course continue at the work. Yet astonishing progress has been made in both cities. In Panama 90 per cent of the streets that are to be paved at all are already paved with an excellent brick pavement laid in heavy concrete, a few of the streets being still in process of paving. The sewer and water services in the city are of the most modern hygienic type, some of the service having just been completed.

In Colon the conditions are peculiar, and it is as regards Colon that most of the very bitter complaint has been made. Colon is built on a low coral island, covered at more or less shallow depths with vegetable accumulations or mold, which affords sustenance and strength to many varieties of low-lying tropical plants. One-half of the surface of the island is covered with water at high tide, the average height of the land being 1½ feet above low tide. The slight undulations furnish shallow, natural reservoirs or fresh-water breeding places for every variety of mosquito, and the ground tends to be lowest in the middle. When the town was originally built no attempt was made to fill the low ground, either in the streets or on the building sites, so that the entire surface was practically a quagmire; when the quagmire became impassable certain of the streets were crudely improved by filling especially bad mud holes with soft rock or other material. In September, 1905, a systematic effort was begun to formulate a general plan for the proper sanitation of the city; in February last temporary relief measures were taken, while in July the prosecution of the work was begun in good earnest. The results are already visible in the sewering, draining, guttering and paving of the streets. Some four months will be required before the work of sewerage and street improvement will be completed, but the progress already made is very marked. Ditches have been dug through the town, connecting the salt water on both sides, and into these the ponds, which have served as breeding places for the mosquitoes, are drained. These ditches have answered their purpose, for they are probably the chief cause of the astonishing diminution in the number of mosquitoes. More ditches of the kind are being constructed.

It was not practicable, with the force at the Commission's disposal, and in view of the need that the force should be used in the larger town of Panama, to begin this work before early last winter. Water mains were then laid in the town and water was furnished to the people early in March from a temporary reservoir. This reservoir proved to be of insufficient capacity before the end of the dry season and the shortage was made up by hauling water over the Panama railroad, so that there was at all times an ample supply of the very best water. Since that time the new reservoir back of Mount Hope has been practically completed. I visited this reservoir. It is a lake over a mile long and half a mile broad. It now carries some 500,000,000 gallons of first-class water. I forward herewith a photograph of this lake, together with certain other photographs of what I saw while I was on the Isthmus. Nothing but a cataclysm will hereafter render it necessary in the dry season to haul water for the use of Colon and Cristobal.

One of the most amusing (as well as dishonest) attacks made upon the Commission was in connection with this reservoir. The writer in question usually confined himself to vague general mendacity; but in this case he specifically stated that there was no water in the vicinity fit for a reservoir (I drank it, and it was excellent), and that this particular reservoir would never hold water anyway. Accompanying this message, as I have said above, is a photograph of the reservoir as I myself saw it, and as it has been in existence ever since the article in question was published. With typical American humor, the engineering corps still at work at the reservoir have christened a large boat which is now used on the reservoir by the name of the individual who thus denied the possibility of the reservoir's existence.

I rode through the streets of Colon, seeing them at the height of the rainy season, after two days of almost unexampled downpour, when they were at their very worst. Taken as a whole they were undoubtedly very bad; as bad as Pennsylvania avenue in Washington before Grant's Administration. Front street is already in thoroughly satisfactory shape, however. Some of the side streets are also in good condition. In others the change in the streets is rapidly going on. Through three-fourths of the town it is now possible to walk, even during the period of tremendous rain, in low shoes without wetting one's feet, owing to the rapidity with which the surface water is carried away in the ditches. In the remaining one-fourth of the streets the mud is very deep—about as deep as in the ordinary street of a low-lying prairie river town of the same size in the United States during early spring. All men to whom I spoke were a unit in saying that the conditions of the Colon streets were 100 per cent better than a year ago. The most superficial examination of the town shows the progress that has been made and is being made in macadamizing the streets. Complaint was made to me by an entirely reputable man as to the character of some of the material used for repairing certain streets. On investigation the complaint proved well founded, but it also appeared that the use of the material in question had been abandoned, the Commission, after having tried it in one or two streets, finding it not appropriate.

The result of the investigation of this honest complaint was typical of what occurred when I investigated most of the other honest complaints made to me. That is, where the complaints were not made wantonly or maliciously, they almost always proved due to failure to appreciate the fact that time was necessary in the creation and completion of this Titanic work in a tropic wilderness. It is impossible to avoid some mistakes in building a giant canal through jungle-covered mountains and swamps, while at the same time sanitating tropic cities, and providing for the feeding and general care of from twenty to thirty thousand workers. The complaints brought to me, either of insufficient provision in caring for some of the laborers, or of failure to finish the pavements of Colon, or of failure to supply water, or of failure to build wooden sidewalks for the use of the laborers in the rainy season, on investigation proved, almost without exception, to be due merely to the utter inability of the Commission to do everything at once.

For instance, it was imperative that Panama, which had the highest death rate and where the chance of a yellow fever epidemic was strongest, should be cared for first; yet most of the complaints as to the delay in taking care of Colon were due to the inability or unwillingness to appreciate this simple fact. Again, as the thousands of laborers are brought over and housed, it is not always possible at the outset to supply wooden walks and bath houses, because other more vital necessities have to be met; and in consequence, while most of the settlements have good bath houses, and, to a large extent at least, wooden walks, there are plenty of settlements where wooden walks have not yet been laid down, and I visited one where the bath houses have not been provided. But in this very settlement the frames of the bath houses are already up, and in every case the utmost effort is being made to provide the wooden walks. Of course, in some of the newest camps tents are used pending the building of houses. Where possible, I think detached houses would be preferable to the semi-detached houses now in general use.

Care and forethought have been exercised by the Commission, and nothing has reflected more credit upon them than their refusal either to go ahead too fast or to be deterred by the fear of criticism from not going ahead fast enough. It is curious to note the fact that many of the most severe critics of the Commission criticize them for precisely opposite reasons, some complaining bitterly that the work is not in a more advanced condition, while the others complain that it has been rushed with such haste that there has been insufficient preparation for the hygiene and comfort of the employees. As a matter of fact neither criticism is just. It would have been impossible to go quicker than the Commission has gone, for such quickness would have meant insufficient preparation. On the other hand, to refuse to do anything until every possible future contingency had been met would have caused wholly unwarranted delay. The right course to follow was exactly the course which has been followed. Every reasonable preparation was made in advance, the hygienic conditions in especial being made as nearly perfect as possible; while on the other hand there has been no timid refusal to push forward the work because of inability to anticipate every possible emergency, for, of course, many defects can only be shown by the working of the system in actual practice.

In addition to attending to the health of the employees, it is, of course, necessary to provide for policing the Zone. This is done by a police force which at present numbers over 200 men, under Captain Shanton. About one-fifth of the men are white and the others black. In different places I questioned some twenty or thirty of these men, taking them at random. They were a fine set, physically and in discipline. With one exception all the white men I questioned had served in the American army, usually in the Philippines, and belonged to the best type of American soldier. Without exception the black policemen whom I questioned had served either in the British army or in the Jamaica or Barbados police. They were evidently contented, and were doing their work well. Where possible the policemen are used to control people of their own color, but in any emergency no hesitation is felt in using them indiscriminately.

Inasmuch as so many both of the white and colored employees have brought their families with them, schools have been established, the school service being under Mr. O'Connor. For the white pupils white American teachers are employed; for the colored pupils there are also some white American teachers, one Spanish teacher, and one colored American teacher, most of them being colored teachers from Jamaica, Barbados, and St. Lucia. The schoolrooms were good, and it was a pleasant thing to see the pride that the teachers were taking in their work and their pupils.

There seemed to me to be too many saloons in the Zone; but the new high-license law which goes into effect on January 1 next will probably close four-fifths of them. Resolute and successful efforts are being made to minimize and control the sale of liquor.

The cars on the passenger trains on the Isthmus are divided into first and second class, the difference being marked in the price of tickets. As a rule second-class passengers are colored and first-class passengers white; but in every train which I saw there were a number of white second-class passengers, and on two of them there were colored first-class passengers.

Next in importance to the problem of sanitation, and indeed now of equal importance, is the problem of securing and caring for the mechanics, laborers, and other employees who actually do the work on the canal and the railroad. This great task has been under the control of Mr. Jackson Smith, and on the whole has been well done. At present there are some 6,000 white employees and some 19,000 colored employees on the Isthmus. I went over the different places where the different kinds of employees were working; I think I saw representatives of every type both at their work and in their homes; and I conversed with probably a couple of hundred of them all told, choosing them at random from every class and including those who came especially to present certain grievances. I found that those who did not come specifically to present grievances almost invariably expressed far greater content and satisfaction with the conditions than did those who called to make complaint.

Nearly 5,000 of the white employees had come from the United States. No man can see these young, vigorous men energetically doing their duty without a thrill of pride in them as Americans. They represent on the average a high class. Doubtless to Congress the wages paid them will seem high, but as a matter of fact the only general complaint which I found had any real basis among the complaints made to me upon the Isthmus was that, owing to the peculiar surroundings, the cost of living, and the distance from home, the wages were really not as high as they should be. In fact, almost every man I spoke to felt that he ought to be receiving more money—a view, however, which the average man who stays at home in the United States probably likewise holds as regards himself. I append figures of the wages paid, so that the Congress can judge the matter for itself. Later I shall confer on the subject with certain representative labor men here in the United States, as well as going over with Mr. Stevens, the comparative wages paid on the Zone and at home; and I may then communicate my findings to the canal committees of the two Houses.

The white Americans are employed, some of them in office work, but the majority in handling the great steam shovels, as engineers and conductors on the dirt trains, as machinists in the great repair shops, as carpenters and time-keepers, superintendents, and foremen of divisions and of gangs, and so on and so on. Many of them have brought down their wives and families; and the children when not in school are running about and behaving precisely as the American small boy and small girl behave at home. The bachelors among the employees live, sometimes in small separate houses, sometimes in large houses; quarters being furnished free to all the men, married and unmarried. Usually the bachelors sleep two in a room, as they would do in this country. I found a few cases where three were in a room; and I was told of, although I did not see, large rooms in which four were sleeping; for it is not possible in what is really a vast system of construction camps always to provide in advance as ample house room as the Commission intend later to give. In one case, where the house was an old French house with a leak in the roof, I did not think the accommodations were good. But in every other case among the scores of houses I entered at random, the accommodations were good; every room was neat and clean, usually having books, magazines, and small ornaments; and in short just such a room as a self-respecting craftsman would be glad to live in at home. The quarters for the married people were even better. Doubtless there must be here and there a married couple who, with or without reason, are not contented with their house on the Isthmus; but I never happened to strike such a couple. The wives of the steam-shovel men, engineers, machinists, and carpenters into whose houses I went, all with one accord expressed their pleasure in their home life and surroundings. Indeed, I do not think they could have done otherwise. The houses themselves were excellent—bathroom, sitting room, piazza, and bedrooms being all that could be desired. In every house which I happened to enter the mistress of the home was evidently a good American housewife and helpmeet, who had given to the home life that touch of attractiveness which, of course, the bachelor quarters neither had nor could have.

The housewives purchase their supplies directly, or through their husbands, from the commissary stores of the Commission. All to whom I spoke agreed that the supplies were excellent, and all but two stated that there was no complaint to be made; these two complained that the prices were excessive as compared to the prices in the States. On investigation I did not feel that this complaint was well founded. The married men ate at home. The unmarried men sometimes ate at private boarding houses, or private messes, but more often, judging by the answers of those whom I questioned, at the government canteens or hotels where the meal costs 30 cents to each employee. This 30-cent meal struck me as being as good a meal as we get in the United States at the ordinary hotel in which a 50-cent meal is provided. Three-fourths of the men whom I questioned stated that the meals furnished at these government hotels were good, the remaining one-fourth that they were not good. I myself took dinner at the La Boca government hotel, no warning whatever having been given of my coming. There were two rooms, as generally in these hotels. In one the employees were allowed to dine without their coats, while in the other they had to put them on. The 30-cent meal included soup, native beef (which was good), mashed potatoes, peas, beets, chili con carne, plum pudding, tea, coffee—each man having as much of each dish as he desired. On the table there was a bottle of liquid quinine tonic, which two-thirds of the guests, as I was informed, used every day. There were neat tablecloths and napkins. The men, who were taking the meal at or about the same time, included railroad men, machinists, shipwrights, and members of the office force. The rooms were clean, comfortable, and airy, with mosquito screens around the outer piazza. I was informed by some of those present that this hotel, and also the other similar hotels, were every Saturday night turned into clubhouses where the American officials, the school-teachers, and various employees, appeared, bringing their wives, there being dancing and singing. There was a piano in the room, which I was informed was used for the music on these occasions. My meal was excellent, and two newspaper correspondents who had been on the Isthmus several days informed me that it was precisely like the meals they had been getting elsewhere at other Government hotels. One of the employees was a cousin of one of the Secret-Service men who was with me, and he stated that the meals had always been good, but that after a time he grew tired of them because they seemed so much alike.

I came to the conclusion that, speaking generally, there was no warrant for complaint about the food. Doubtless it grows monotonous after awhile. Any man accustomed to handling large masses of men knows that some of them, even though otherwise very good men, are sure to grumble about something, and usually about their food. Schoolboys, college boys, and boarders in boarding houses make similar complaints; so do soldiers and sailors. On this very trip, on one of the warships, a seaman came to complain to the second watch officer about the quality of the cocoa at the seaman's mess, saying that it was not sweet enough; it was pointed out to him that there was sugar on the table and he could always put it in, to which he responded that that was the cook's business and not his! I think that the complaint as to the food on the Isthmus has but little more foundation than that of the sailor in question. Moreover, I was given to understand that one real cause of complaint was that at the government hotels no liquor is served, and some of the drinking men, therefore, refused to go to them. The number of men using the government hotels is steadily increasing.

Of the nineteen or twenty thousand day laborers employed on the canal, a few hundred are Spaniards. These do excellent work. Their foreman told me that they did twice as well as the West India laborers. They keep healthy and no difficulty is experienced with them in any way. Some Italian laborers are also employed in connection with the drilling. As might be expected, with labor as high priced as at present in the United States, it has not so far proved practicable to get any ordinary laborers from the United States. The American wage-workers on the Isthmus are the highly-paid skilled mechanics of the types mentioned previously. A steady effort is being made to secure Italians, and especially to procure more Spaniards, because of the very satisfactory results that have come from their employment; and their numbers will be increased as far as possible. It has not proved possible, however, to get them in anything like the numbers needed for the work, and from present appearances we shall in the main have to rely, for the ordinary unskilled work, partly upon colored laborers from the West Indies, partly upon Chinese labor. It certainly ought to be unnecessary to point out that the American workingman in the United States has no concern whatever in the question as to whether the rough work on the Isthmus, which is performed by aliens in any event, is done by aliens from one country with a black skin or by aliens from another country with a yellow skin. Our business is to dig the canal as efficiently and as quickly as possible; provided always that nothing is done that is inhumane to any laborers, and nothing that interferes with the wages of or lowers the standard of living of our own workmen. Having in view this principle, I have arranged to try several thousand Chinese laborers. This is desirable both because we must try to find out what laborers are most efficient, and, furthermore, because we should not leave ourselves at the mercy of any one type of foreign labor. At present the great bulk of the unskilled labor on the Isthmus is done by West India negroes, chiefly from Jamaica, Barbados, and the other English possessions. One of the governors of the lands in question has shown an unfriendly disposition to our work, and has thrown obstacles in the way of our getting the labor needed; and it is highly undesirable to give any outsiders the impression, however ill-founded, that they are indispensable and can dictate terms to us.

The West India laborers are fairly, but only fairly, satisfactory. Some of the men do very well indeed; the better class, who are to be found as foremen, as skilled mechanics, as policemen, are good men; and many of the ordinary day laborers are also good. But thousands of those who are brought over under contract (at our expense) go off into the jungle to live, or loaf around Colon, or work so badly after the first three or four days as to cause a serious diminution of the amount of labor performed on Friday and Saturday of each week. I questioned many of these Jamaica laborers as to the conditions of their work and what, if any, changes they wished. I received many complaints from them, but as regards most of these complaints they themselves contradicted one another. In all cases where the complaint was as to their treatment by any individual it proved, on examination, that this individual was himself a West India man of color, either a policeman, a storekeeper, or an assistant storekeeper. Doubtless there must be many complaints against Americans; but those to whom I spoke did not happen to make any such complaint to me. There was no complaint of the housing; I saw but one set of quarters for colored laborers which I thought poor, and this was in an old French house. The barracks for unmarried men are roomy, well ventilated, and clean, with canvas bunks for each man, and a kind of false attic at the top, where the trunks and other belongings of the different men are kept. The clothes are hung on clotheslines, nothing being allowed to be kept on the floor. In each of these big rooms there were tables and lamps, and usually a few books or papers, and in almost every room there was a Bible; the books being the property of the laborers themselves. The cleanliness of the quarters is secured by daily inspection. The quarters for the married negro laborers were good. They were neatly kept, and in almost every case the men living in them, whose wives or daughters did the cooking for them, were far better satisfied and of a higher grade than the ordinary bachelor negroes. Not only were the quarters in which these negro laborers were living much superior to those in which I am informed they live at home, but they were much superior to the huts to be seen in the jungles of Panama itself, beside the railroad tracks, in which the lower class of native Panamans live, as well as the negro workmen when they leave the employ of the canal and go into the jungles. A single glance at the two sets of buildings is enough to show the great superiority in point of comfort, cleanliness, and healthfulness of the Government houses as compared with the native houses.

The negroes generally do their own cooking, the bachelors cooking in sheds provided by the Government and using their own pots. In the different camps there was a wide variation in the character of these cooking sheds. In some, where the camps were completed, the kitchen or cooking sheds, as well as the bathrooms and water-closets, were all in excellent trim, while there were board sidewalks leading from building to building. In other camps the kitchens or cook sheds had not been floored, and the sidewalks had not been put down, while in one camp the bath houses were not yet up. In each case, however, every effort was being made to hurry on the construction, and I do not believe that the delays had been greater than were inevitable in such work. The laborers are accustomed to do their own cooking; but there was much complaint, especially among the bachelors, as to the quantity, and some as to the quality, of the food they got from the commissary department, especially as regards yams. On the other hand, the married men and their wives, and the more advanced among the bachelors, almost invariably expressed themselves as entirely satisfied with their treatment at the commissary stores; except that they stated that they generally could not get yams there, and had to purchase them outside. The chief complaint was that the prices were too high. It is unavoidable that the prices should be higher than in their own homes; and after careful investigation I came to the conclusion that the chief trouble lay in the fact that the yams, plantains, and the like are rather perishable food, and are very bulky compared to the amount of nourishment they contain, so that it is costly to import them in large quantities and difficult to keep them. Nevertheless, I felt that an effort should be made to secure them a more ample supply of their favorite food, and so directed; and I believe that ultimately the Government must itself feed them. I am having this matter looked into.

The superintendent having immediate charge of one gang of men at the Colon reservoir stated that he endeavored to get them to substitute beans and other nourishing food for the stringy, watery yams, because the men keep their strength and health better on the more nourishing food. Inasmuch, however, as they are accustomed to yams it is difficult to get them to eat the more strengthening food, and some time elapses before they grow accustomed to it. At this reservoir there has been a curious experience. It is off in the jungle by itself at the end of a couple of miles of a little toy railroad. In order to get the laborers there, they were given free food (and of course free lodgings); and yet it proved difficult to keep them, because they wished to be where they could reach the dramshop and places of amusement.

I was struck by the superior comfort and respectability of the lives of the married men. It would, in my opinion, be a most admirable thing if a much larger number of the men had their wives, for with their advent all complaints about the food and cooking are almost sure to cease.

I had an interview with Mr. Mallet, the British consul, to find out if there was any just cause for complaint as to the treatment of the West India negroes. He informed me most emphatically that there was not, and authorized me to give his statement publicity. He said that not only was the condition of the laborers far better than had been the case under the old French Company, but that year by year the condition was improving under our own régime. He stated that complaints were continually brought to him, and that he always investigated them; and that for the last six months he had failed to find a single complaint of a serious nature that contained any justification whatever.

One of the greatest needs at present is to provide amusements both for the white men and the black. The Young Men's Christian Association is trying to do good work and should be in every way encouraged. But the Government should do the main work. I have specifically called the attention of the Commission to this matter, and something has been accomplished already. Anything done for the welfare of the men adds to their efficiency and money devoted to that purpose is, therefore, properly to be considered as spent in building the canal. It is imperatively necessary to provide ample recreation and amusement if the men are to be kept well and healthy. I call the special attention of Congress to this need.

This gathering, distributing, and caring for the great force of laborers is one of the giant features of the work. That friction will from time to time occur in connection therewith is inevitable. The astonishing thing is that the work has been performed so well and that the machinery runs so smoothly. From my own experience I am able to say that more care had been exercised in housing, feeding, and generally paying heed to the needs of the skilled mechanics and ordinary laborers in the work on this canal than is the case in the construction of new railroads or in any other similar private or public work in the United States proper; and it is the testimony of all people competent to speak that on no other similar work anywhere in the Tropics—indeed, as far as I know, anywhere else—has there been such forethought and such success achieved in providing for the needs of the men who do the work.

I have now dealt with the hygienic conditions which make it possible to employ a great force of laborers, and with the task of gathering, housing, and feeding these laborers. There remains to consider the actual work which has to be done; the work because of which these laborers are gathered together—the work of constructing the canal. This is under the direct control of the Chief Engineer, Mr. Stevens, who has already shown admirable results, and whom we can safely trust to achieve similar results in the future.

Our people found on the Isthmus a certain amount of old French material and equipment which could be used. Some of it, in addition, could be sold as scrap iron. Some could be used for furnishing the foundation for filling in. For much no possible use could be devised that would not cost more than it would bring in.

The work is now going on with a vigor and efficiency pleasant to witness. The three big problems of the canal are the La Boca dams, the Gatun dam, and the Culebra cut. The Culebra cut must be made, anyhow; but of course changes as to the dams, or at least as to the locks adjacent to the dams, may still occur. The La Boca dams offer no particular problem, the bottom material being so good that there is a practical certainty, not merely as to what can be achieved, but as to the time of achievement. The Gatun dam offers the most serious problem which we have to solve; and yet the ablest men on the Isthmus believe that this problem is certain of solution along the lines proposed; although, of course, it necessitates great toil, energy, and intelligence, and although equally, of course, there will be some little risk in connection with the work. The risk arises from the fact that some of the material near the bottom is not so good as could be desired. If the huge earth dam now contemplated is thrown across from one foothill to the other we will have what is practically a low, broad, mountain ridge behind which will rise the inland lake. This artificial mountain will probably show less seepage, that is, will have greater restraining capacity than the average natural mountain range. The exact locality of the locks at this dam—as at the other dams—is now being determined. In April next Secretary Taft, with three of the ablest engineers of the country—Messrs. Noble, Stearns, and Ripley—will visit the Isthmus, and the three engineers will make the final and conclusive examinations as to the exact site for each lock. Meanwhile the work is going ahead without a break.

The Culebra cut does not offer such great risks; that is, the damage liable to occur from occasional land slips will not represent what may be called major disasters. The work will merely call for intelligence, perseverance, and executive capacity. It is, however, the work upon which most labor will have to be spent. The dams will be composed of the earth taken out of the cut and very possibly the building of the locks and dams will taken even longer than the cutting in Culebra itself.

The main work is now being done in the Culebra cut. It was striking and impressive to see the huge steam shovels in full play, the dumping trains carrying away the rock and earth they dislodged. The implements of French excavating machinery, which often stand a little way from the line of work, though of excellent construction, look like the veriest toys when compared with these new steam shovels, just as the French dumping cars seem like toy cars when compared with the long trains of huge cars, dumped by steam plows, which are now in use. This represents the enormous advance that has been made in machinery during the past quarter of a century. No doubt a quarter of a century hence this new machinery, of which we are now so proud, will similarly seem out of date, but it is certainly serving its purpose well now. The old French cars had to be entirely discarded. We still have in use a few of the more modern, but not most modern, cars, which hold but twelve yards of earth. They can be employed on certain lines with sharp curves. But the recent cars hold from twenty-five to thirty yards apiece, and instead of the old clumsy methods of unloading them, a steam plow is drawn from end to end of the whole vestibuled train, thus immensely economizing labor. In the rainy season the steam shovels can do but little in dirt, but they work steadily in rock and in the harder ground. There were some twenty-five at work during the time I was on the Isthmus, and their tremendous power and efficiency were most impressive.

As soon as the type of canal was decided this work began in good earnest. The rainy season will shortly be over and then there will be an immense increase in the amount taken out; but even during the last three months, in the rainy season, steady progress is shown by the figures: In August, 242,000 cubic yards; in September, 291,000 cubic yards, and in October, 325,000 cubic yards. In October new records were established for the output of individual shovels as well as for the tonnage haul of individual locomotives. I hope to see the growth of a healthy spirit of emulation between the different shovel and locomotive crews, just such a spirit as has grown on our battle ships between the different gun crews in matters of marksmanship. Passing through the cut the amount of new work can be seen at a glance. In one place the entire side of a hill had been taken out recently by twenty-seven tons of dynamite, which were exploded at one blast. At another place I was given a Presidential salute of twenty-one charges of dynamite. On the top notch of the Culebra cut the prism is now as wide as it will be; all told, the canal bed at this point has now been sunk about two hundred feet below what it originally was. It

PRESIDENT ROOSEVELT INSPECTING THE PANAMA CANAL

THE PANAMA CANAL

The commencement of the task of constructing the Panama Canal was the most important event of Roosevelt's Administration. The history of the undertaking is written by Roosevelt himself on pages 6662, 6758, 6881, 6901, 7401, 7480, 7611, 7648, 7667, 7685 and 7728. The message commencing on page 7685 describes his visit of inspection to the canal zone. President Taft continued the narrative, pages 7750, 7754, 7803, 7863 and 7898. The reader who desires a brief recital of the facts should refer to the article entitled "Panama Canal" in the encyclopedic index (volume eleven). The index references following this article will enable the reader to glean a complete and authentic knowledge of the subject from the messages of the Presidents, from Jackson to Taft, who have discussed the project.

will have to be sunk about one hundred and thirty feet farther. Throughout the cut the drilling, blasting, shoveling, and hauling are going on with constantly increasing energy, the huge shovels being pressed up, as if they were mountain howitzers, into the most unlikely looking places, where they eat their way into the hillsides.

The most advanced methods, not only in construction, but in railroad management, have been applied in the Zone, with corresponding economies in time and cost. This has been shown in the handling of the tonnage from ships into cars, and from cars into ships on the Panama Railroad, where, thanks largely to the efficiency of General Manager Bierd, the saving in time and cost, has been noteworthy. My examination tended to show that some of the departments had (doubtless necessarily) become overdeveloped, and could now be reduced or subordinated without impairment of efficiency and with a saving of cost. The Chairman of the Commission, Mr. Shonts, has all matters of this kind constantly in view, and is now reorganizing the government of the Zone, so as to make the form of administration both more flexible and less expensive, subordinating everything to direct efficiency with a view to the work of the Canal Commission. From time to time changes of this kind will undoubtedly have to be made, for it must be remembered that in this giant work of construction, it is continually necessary to develop departments or bureaus, which are vital for the time being, but which soon become useless; just as it will be continually necessary to put up buildings, and even to erect towns, which in ten years will once more give place to jungle, or will then be at the bottom of the great lakes at the ends of the canal.

It is not only natural, but inevitable, that a work as gigantic as this which has been undertaken on the Isthmus should arouse every species of hostility and criticism. The conditions are so new and so trying, and the work so vast, that it would be absolutely out of the question that mistakes should not be made. Checks will occur. Unforeseen difficulties will arise. From time to time seemingly well-settled plans will have to be changed. At present twenty-five thousand men are engaged on the task. After a while the number will be doubled. In such a multitude it is inevitable that there should be here and there a scoundrel. Very many of the poorer class of laborers lack the mental development to protect themselves against either the rascality of others or their own folly, and it is not possible for human wisdom to devise a plan by which they can invariably be protected. In a place which has been for ages a by-word for unhealthfulness, and with so large a congregation of strangers suddenly put down and set to hard work there will now and then be outbreaks of disease. There will now and then be shortcomings in administration; there will be unlooked-for accidents to delay the excavation of the cut or the building of the dams and locks. Each such incident will be entirely natural, and, even though serious, no one of them will mean more than a little extra delay or trouble. Yet each, when discovered by sensation-mongers and retailed to timid folk of little faith, will serve as an excuse for the belief that the whole work is being badly managed. Experiments will continually be tried in housing, in hygiene, in street repairing, in dredging, and in digging earth and rock. Now and then an experiment will be a failure; and among those who hear of it, a certain proportion of doubting Thomases will at once believe that the whole work is a failure. Doubtless here and there some minor rascality will be uncovered; but as to this, I have to say that after the most painstaking inquiry I have been unable to find a single reputable person who had so much as heard of any serious accusations affecting the honesty of the Commission or of any responsible officer under it. I append a letter dealing with the most serious charge, that of the ownership of lots in Colon; the charge was not advanced by a reputable man, and is utterly baseless. It is not too much to say that the whole atmosphere of the Commission breathes honesty as it breathes efficiency and energy. Above all, the work has been kept absolutely clear of politics. I have never heard even a suggestion of spoils politics in connection with it.

I have investigated every complaint brought to me for which there seemed to be any shadow of foundation. In two or three cases, all of which I have indicated in the course of this message, I came to the conclusion that there was foundation for the complaint, and that the methods of the Commission in the respect complained of could be bettered. In the other instances the complaints proved absolutely baseless, save in two or three instances where they referred to mistakes which the Commission had already itself found out and corrected.

So much for honest criticism. There remains an immense amount of as reckless slander as has ever been published. Where the slanderers are of foreign origin I have no concern with them. Where they are Americans, I feel for them the heartiest contempt and indignation; because, in a spirit of wanton dishonesty and malice, they are trying to interfere with, and hamper the execution of, the greatest work of the kind ever attempted, and are seeking to bring to naught the efforts of their countrymen to put to the credit of America one of the giant feats of the ages. The outrageous accusations of these slanderers constitute a gross libel upon a body of public servants who, for trained intelligence, expert ability, high character and devotion to duty, have never been excelled anywhere. There is not a man among those directing the work on the Isthmus who has obtained his position on any other basis than merit alone, and not one who has used his position in any way for his own personal or pecuniary advantage.

After most careful consideration we have decided to let out most of the work by contract, if we can come to satisfactory terms with the contractors. The whole work is of a kind suited to the peculiar genius of our people; and our people have developed the type of contractor best fitted to grapple with it. It is, of course, much better to do the work in large part by contract than to do it all by the Government, provided it is possible on the one hand to secure to the contractor a sufficient remuneration to make it worth while for responsible contractors of the best kind to undertake the work; and provided on the other hand it can be done on terms which will not give an excessive profit to the contractor at the expense of the Government. After much consideration the plan already promulgated by the Secretary of War was adopted. This plan in its essential features was drafted, after careful and thorough study and consideration, by the Chief Engineer, Mr. Stevens, who, while in the employment of Mr. Hill, the president of the Great Northern Railroad, had personal experience of this very type of contract. Mr. Stevens then submitted the plan to the Chairman of the Commission, Mr. Shonts, who went carefully over it with Mr. Rogers, the legal adviser of the Commission, to see that all legal difficulties were met. He then submitted copies of the plan to both Secretary Taft and myself. Secretary Taft submitted it to some of the best counsel at the New York bar, and afterwards I went over it very carefully with Mr. Taft and Mr. Shonts, and we laid the plan in its general features before Mr. Root. My conclusion is that it combines the maximum of advantage with the minimum of disadvantage. Under it a premium will be put upon the speedy and economical construction of the canal, and a penalty imposed on delay and waste. The plan as promulgated is tentative; doubtless it will have to be changed in some respects before we can come to a satisfactory agreement with responsible contractors—perhaps even after the bids have been received; and of course it is possible that we cannot come to an agreement, in which case the Government will do the work itself. Meanwhile the work on the Isthmus is progressing steadily and without any let-up.

A seven-headed commission is, of course, a clumsy executive instrument. We should have but one commissioner, with such heads of departments and other officers under him as we may find necessary. We should be expressly permitted to employ the best engineers in the country as consulting engineers.

I accompany this paper with a map showing substantially what the canal will be like when it is finished. When the Culebra cut has been made and the dams built (if they are built as at present proposed) there will then be at both the Pacific and Atlantic ends of the canal. two great fresh-water lakes, connected by a broad channel running at the bottom of a ravine, across the backbone of the Western Hemisphere. Those best informed believe that the work will be completed in about eight years; but it is never safe to prophesy about such a work as this, especially in the Tropics.

I am informed that representatives of the commercial clubs of four cities—Boston, Chicago, Cincinnati, and St. Louis—the membership of which includes most of the leading business men of those cities, except to visit the Isthmus for the purpose of examining the work of construction of the canal. I am glad to hear it, and I shall direct that every facility be given them to see all that is to be seen in the work which the Government is doing. Such interest as a visit like this would indicate will have a good effect upon the men who are doing the work, on one hand, while on the other hand it will offer as witnesses of the exact conditions, men whose experience as business men and whose impartiality will make the result of their observations of value to the country as a whole.

Of the success of the enterprise I am as well convinced as one can be of any enterprise that is human. It is a stupendous work upon which our fellow-countrymen are engaged down there on the Isthmus, and while we should hold them to a strict accountability for the way in which they perform it, we should yet recognize, with frank generosity, the epic nature of the task on which they are engaged and its world-wide importance. They are doing something which will redound immeasurably to the credit of America, which will benefit all the world, and which will last for ages to come. Under Mr. Shonts and Mr. Stevens and Dr. Gorgas this work has started with every omen of good fortune. They and their worthy associates, from the highest to the lowest, are entitled to the same credit that we would give to the picked men of a victorious army; for this conquest of peace will, in its great and far-reaching effect, stand as among the very greatest conquests, whether of peace or of war, which have ever been won by any of the peoples of mankind. A badge is to be given to every American citizen who for a specified time has taken part in this work; for participation in it will hereafter be held to reflect honor upon the man participating just as it reflects honor upon a soldier to have belonged to a mighty army in a great war for righteousness. Our fellow-countrymen on the Isthmus are working for our interest and for the national renown in the same spirit and with the same efficiency that the men of the Army and Navy work in time of war. It behooves us in our turn to do all we can to hold up their hands and to aid them in every way to bring their great work to a triumphant conclusion.

THEODORE ROOSEVELT.

SPECIAL MESSAGE.

THE WHITE HOUSE, December 19, 1906.

To the Senate:

In response to Senate resolution of December 6 addressed to me, and to the two Senate resolutions addressed to him, the Secretary of War has, by my direction, submitted to me a report which I herewith send to the Senate, together with several documents, including a letter of General Nettleton and memoranda as to precedents for the summary discharge or mustering out of regiments or companies, some or all of the members of which had been guilty of misconduct.

I ordered the discharge of nearly all the members of Companies B, C, and D of the Twenty-fifth Infantry by name, in the exercise of my constitutional power and in pursuance of what, after full consideration, I found to be my constitutional duty as Commander in Chief of the United States Army. I am glad to avail myself of the opportunity afforded by these resolutions to lay before the Senate the following facts as to the murderous conduct of certain members of the companies in question and as to the conspiracy by which many of the other members of these companies saved the criminals from justice, to the disgrace of the United States uniform.

I call your attention to the accompanying reports of Maj. Augustus P. Blocksom, of Lieut. Col. Leonard A. Lovering, and of Brig. Gen. Ernest A. Garlington, the Inspector-General of the United States Army, of their investigation into the conduct of the troops in question. An effort has been made to discredit the fairness of the investigation into the conduct of these colored troops by pointing out that General Garlington is a Southerner. Precisely the same action would have been taken had the troops been white—indeed, the discharge would probably have been made in more summary fashion. General Garlington is a native of South Carolina; Lieutenant-Colonel Lovering is a native of New Hampshire; Major Blocksom is a native of Ohio. As it happens, the disclosure of the guilt of the troops was made in the report of the officer who comes from Ohio, and the efforts of the officer who comes from South Carolina were confined to the endeavor to shield the innocent men of the companies in question, if any such there were, by securing information which would enable us adequately to punish the guilty. But I wish it distinctly understood that the fact of the birthplace of either officer is one which I absolutely refuse to consider. The standard of professional honor and of loyalty to the flag and the service is the same for all officers and all enlisted men of the United States Army, and I resent with the keenest indignation any effort to draw any line among them based upon birthplace, creed, or any other consideration of the kind. I should put the same entire faith in these reports if it had happened that they were all made by men coming from some one State, whether in the South or the North, the East or the West, as I now do, when, as it happens, they were made by officers born in different States.

Major Blocksom's report is most careful, is based upon the testimony of scores of eye-witnesses—testimony which conflicted only in non-essentials and which established the essential facts beyond chance of successful contradiction. Not only has no successful effort been made to traverse his findings in any essential particular, but, as a matter of fact, every trustworthy report from outsiders amply corroborates them, by far the best of these outside reports being that of Gen. A. B. Nettleton, made in a letter to the Secretary of War, which I herewith append; General Nettleton being an ex-Union soldier, a consistent friend of the colored man throughout his life, a lifelong Republican, a citizen of Illinois, and Assistant Secretary of the Treasury under President Harrison.

It appears that in Brownsville, the city immediately beside which Fort Brown is situated, there had been considerable feeling between the citizens and the colored troops of the garrison companies. Difficulties had occurred, there being a conflict of evidence as to whether the citizens or the colored troops were to blame. My impression is that, as a matter of fact, in these difficulties there was blame attached to both sides; but this is a wholly unimportant matter for our present purpose, as nothing that occurred offered in any shape or way an excuse or justification for the atrocious conduct of the troops when, in lawless and murderous spirit, and under cover of the night, they made their attack upon the citizens.

The attack was made near midnight on August 13. The following facts as to this attack are made clear by Major Blocksom's investigation and have not been, and, in my judgment, can not be, successfully controverted. From 9 to 15 or 20 of the colored soldiers took part in the attack. They leaped over the walls from the barracks and hurried through the town. They shot at whomever they saw moving, and they shot into houses where they saw lights. In some of these houses there were women and children, as the would-be murderers must have known. In one house in which there were two women and five children some ten shots went through at a height of about 4½ feet above the floor, one putting out the lamp upon the table. The lieutenant of police of the town heard the firing and rode toward it. He met the raiders, who, as he stated, were about 15 colored soldiers. They instantly started firing upon him. He turned and rode off, and they continued firing upon him until they had killed his horse. They shot him in the right arm (it was afterwards amputated above the elbow). A number of shots were also fired at two other policemen. The raiders fired several times into a hotel, some of the shots being aimed at a guest sitting by a window. They shot into a saloon, killing the bartender and wounding another man. At the same time other raiders fired into another house in which women and children were sleeping, two of the shots going through the mosquito bar over the bed in which the mistress of the house and her two children were lying. Several other houses were struck by bullets. It was at night, and the streets of the town are poorly lighted, so that none of the individual raiders were recognized; but the evidence of many witnesses of all classes was conclusive to the effect that the raiders were negro soldiers. The shattered bullets, shells, and clips of the Government rifles, which were found on the ground, are merely corroborative. So are the bullet holes in the houses; some of which it appears must, from the direction, have been fired from the fort just at the moment when the soldiers left it. Not a bullet hole appears in any of the structures of the fort.

The townspeople were completely surprised by the unprovoked and murderous savagery of the attack. The soldiers were the aggressors from start to finish. They met with no substantial resistance, and one and all who took part in that raid stand as deliberate murderers, who did murder one man, who tried to murder others, and who tried to murder women and children. The act was one of horrible atrocity, and so far as I am aware, unparalleled for infamy in the annals of the United States Army.

The white officers of the companies were completely taken by surprise, and at first evidently believed that the firing meant that the townspeople were attacking the soldiers. It was not until 2 or 3 o'clock in the morning that any of them became aware of the truth. I have directed a careful investigation into the conduct of the officers, to see if any of them were blameworthy, and I have approved the recommendation of the War Department that two be brought before a court-martial.

As to the noncommissioned officers and enlisted men, there can be no doubt whatever that many were necessarily privy, after if not before the attack, to the conduct of those who took actual part in this murderous riot. I refer to Major Blocksom's report for proof of the fact that certainly some and probably all of the noncommissioned officers in charge of quarters who were responsible for the gun-racks and had keys thereto in their personal possession knew what men were engaged in the attack.

Major Penrose, in command of the post, in his letter (included in the Appendix) gives the reasons why he was reluctantly convinced that some of the men under him—as he thinks, from 7 to 10—got their rifles, slipped out of quarters to do the shooting, and returned to the barracks without being discovered, the shooting all occurring within two and a half short blocks of the barracks. It was possible for the raiders to go from the fort to the farthest point of firing and return in less than ten minutes, for the distance did not exceed 350 yards.

Such are the facts of this case. General Nettleton, in his letter herewith appended, states that next door to where he is writing in Brownsville is a small cottage where a children's party had just broken up before the house was riddled by United States bullets, fired by United States troops, from United States Springfield rifles, at close range, with the purpose of killing or maiming the inmates, including the parents and children who were still in the well-lighted house, and whose escape from death under such circumstances was astonishing. He states that on another street he daily looks upon fresh bullet scars where a volley from similar Government rifles was fired into the side and windows of a hotel occupied at the time by sleeping or frightened guests from abroad who could not possibly have given any offense to the assailants. He writes that the chief of the Brownsville police is again on duty from hospital, and carries an empty sleeve because he was shot by Federal soldiers from the adjacent garrison in the course of their murderous foray; and not far away is the fresh grave of an unoffending citizen of the place, a boy in years, who was wantonly shot down by these United States soldiers while unarmed and attempting to escape.

The effort to confute this testimony so far has consisted in the assertion or implication that the townspeople shot one another in order to discredit the soldiers—an absurdity too gross to need discussion, and unsupported by a shred of evidence. There is no question as to the murder and the attempted murders; there is no question that some of the soldiers were guilty thereof; there is no question that many of their comrades privy to the deed have combined to shelter the criminals from justice. These comrades of the murderers, by their own action, have rendered it necessary either to leave all the men, including the murderers, in the Army, or to turn them all out; and under such circumstances there was no alternative, for the usefulness of the Army would be at an end were we to permit such an outrage to be committed with impunity.

In short, the evidence proves conclusively that a number of the soldiers engaged in a deliberate and concerted attack, as cold blooded as it was cowardly; the purpose being to terrorize the community, and to kill or injure men, women, and children in their homes and beds or on the streets, and this at an hour of the night when concerted or effective resistance or defense was out of the question, and when detection by identification of the criminals in the United States uniform was well-nigh impossible. So much for the original crime. A blacker never stained the annals of our Army. It has been supplemented by another, only less black, in the shape of a successful conspiracy of silence for the purpose of shielding those who took part in the original conspiracy of murder. These soldiers were not school boys on a frolic. They were full-grown men, in the uniform of the United States Army, armed with deadly weapons, sworn to uphold the laws of the United States, and under every obligation of oath and honor not merely to refrain from criminality, but with the sturdiest rigor to hunt down criminality; and the crime they committed or connived at was murder. They perverted the power put into their hands to sustain the law into the most deadly violation of the law. The noncommissioned officers are primarily responsible for the discipline and good conduct of the men; they are appointed to their positions for the very purpose of preserving this discipline and good conduct, and of detecting and securing the punishment of every enlisted man who does what is wrong. They fill, with reference to the discipline, a part that the commissioned officers are of course unable to fill, although the ultimate responsibility for the discipline can never be shifted from the shoulders of the latter. Under any ordinary circumstances the first duty of the noncommissioned officers, as of the commissioned officers, is to train the private in the ranks so that he may be an efficient fighting man against a foreign foe. But there is an even higher duty, so obvious that it is not under ordinary circumstances necessary so much as to allude to it—the duty of training the soldier so that he shall be a protection and not a menace to his peaceful fellow-citizens, and above all to the women and children of the nation. Unless this duty is well performed, the Army becomes a mere dangerous mob; and if conduct such as that of the murderers in question is not, where possible, punished, and, where this is not possible, unless the chance of its repetition is guarded against in the most thoroughgoing fashion, it would be better that the entire Army should be disbanded. It is vital for the Army to be imbued with the spirit which will make every man in it, and above all, the officers and noncommissioned officers, feel it a matter of highest obligation to discover and punish, and not to shield, the criminal in uniform.

Yet some of the noncommissioned officers and many of the men of the three companies in question have banded together in a conspiracy to protect the assassins and would-be assassins who have disgraced their uniform by the conduct above related. Many of these non-commissioned officers and men must have known, and all of them may have known, circumstances which would have led to the conviction of those engaged in the murderous assault. They have stolidly and as one man broken their oaths of enlistment and refused to help discover the criminals.

By my direction every effort was made to persuade those innocent of murder among them to separate themselves from the guilty by helping bring the criminals to justice. They were warned that if they did not take advantage of the offer they would all be discharged from the service and forbidden again to enter the employ of the Government. They refused to profit by the warning. I accordingly had them discharged. If any organization of troops in the service, white or black, is guilty of similar conduct in the future I shall follow precisely the same course. Under no circumstances will I consent to keep in the service bodies of men whom the circumstances show to be a menace to the country. Incidentally I may add that the soldiers of longest service and highest position who suffered because of the order, so far from being those who deserve most sympathy, deserve least, for they are the very men upon whom we should be able especially to rely to prevent mutiny and murder.

People have spoken as if this discharge from the service was a punishment. I deny emphatically that such is the case, because as punishment it is utterly inadequate. The punishment meet for mutineers and murderers such as those guilty of the Brownsville assault is death; and a punishment only less severe ought to be meted out to those who have aided and abetted mutiny and murder and treason by refusing to help in their detection. I would that it were possible for me to have punished the guilty men. I regret most keenly that I have not been able to do so.

Be it remembered always that these men were all in the service of the United States under contracts of enlistment, which by their terms and by statute were terminable by my direction as Commander in Chief of the Army. It was my clear duty to terminate those contracts when the public interest demanded it; and it would have been a betrayal of the public interest on my part not to terminate the contracts which were keeping in the service of the United States a body of mutineers and murderers.

Any assertion that these men were dealt with harshly because they were colored men is utterly without foundation. Officers or enlisted men, white men or colored men, who were guilty of such conduct, would have been treated in precisely the same way; for there can be nothing more important than for the United States Army, in all its membership, to understand that its arms cannot be turned with impunity against the peace and order of the civil community.

There are plenty of precedents for the action taken. I call your attention to the memoranda herewith submitted from The Military Secretary's office of the War Department, and a memorandum from The Military Secretary enclosing a piece by ex-Corporal Hesse, now chief of division in The Military Secretary's office, together with a letter from District Attorney James Wilkinson, of New Orleans. The district attorney's letter recites several cases in which white United States soldiers, being arrested for crime, were tried, and every soldier and employee of the regiment, or in the fort at which the soldier was stationed, volunteered all they knew, both before and at the trial, so as to secure justice. In one case the soldier was acquitted. In another case the soldier was convicted of murder, the conviction resulting from the fact that every soldier, from the commanding officer to the humblest private, united in securing all the evidence in their power about the crime. In other cases, for less offense, soldiers were convicted purely because their comrades in arms, in a spirit of fine loyalty to the honor of the service, at once told the whole story of the troubles and declined to identify themselves with the criminals.

During the civil war numerous precedents for the action taken by me occurred in the shape of the summary discharge of regiments or companies because of misconduct on the part of some or all of their members. The Sixtieth Ohio was summarily discharged, on the ground that the regiment was disorganized, mutinous, and worthless. The Eleventh New York was discharged by reason of general demoralization and numerous desertions. Three companies of the Fifth Missouri Cavalry and one company of the Fourth Missouri Cavalry were mustered out of the service of the United States without trial by court-martial by reason of mutinous conduct and disaffection *of the majority of the members of these companies* (an almost exact parallel to my action). Another Missouri regiment was mustered out of service because it was in a state bordering closely on mutiny. Other examples, including New Jersey, Maryland, and other organizations, are given in the enclosed papers.

I call your particular attention to the special field order of Brig. Gen. U. S. Grant, issued from the headquarters of the Thirteenth Army Corps on November 16, 1862, in reference to the Twentieth Illinois. Members of this regiment had broken into a store and taken goods to the value of some $1,240, and the rest of the regiment, including especially two officers, failed, in the words of General Grant, to "exercise their authority to ferret out the men guilty of the offenses." General Grant accordingly mustered out of the service of the United States the two officers in question, and assessed the sum of $1,240 against the said regiment as a whole, officers and men to be assessed pro rata on their pay. In its essence this action is precisely similar to that I have taken; although the offense was of course trivial compared to the offense with which I had to deal.

Ex-Corporal Hesse recites what occurred in a United States regular regiment in the spring of 1860. (Corporal Hesse subsequently, when the regiment was surrendered to the Confederates by General Twiggs, saved the regimental colors by wrapping them about his body, under his clothing, and brought them north in safety, receiving a medal of honor for his action.) It appears that certain members of the regiment lynched a barkeeper who had killed one of the soldiers. Being unable to discover the culprits, Col. Robert E. Lee, then in command of the Department of Texas, ordered the company to be disbanded and the members transferred to other companies and discharged at the end of their enlistment, without honor. Owing to the outbreak of the Civil War, and the consequent loss of records and confusion, it is not possible to say what finally became of this case.

When General Lee was in command of the Army of Northern Virginia, as will appear from the inclosed clipping from the Charlotte Observer, he issued an order in October, 1864, disbanding a certain battalion for cowardly conduct, stating at the time his regret that there were some officers and men belonging to the organization who, although not deserving it, were obliged to share in the common disgrace because the good of the service demanded it.

In addition to the discharges of organizations, which are of course infrequent, there are continual cases of the discharge of individual enlisted men without honor and without trial by court-martial. The official record shows that during the fiscal year ending June 30, last, such discharges were issued by the War Department without trial by court-martial in the cases of 352 enlisted men of the Regular Army, 35 of them being on account of "having become disqualified for service through own misconduct." Moreover, in addition to the discharges without honor ordered by the War Department, there were a considerable number of discharges without honor issued by subordinate military authorities under paragraph 148 of the Army Regulations, "where the service has not been honest and faithful—that is, where the service does not warrant reënlistment."

So much for the military side of the case. But I wish to say something additional, from the standpoint of the race question. In my message at the opening of the Congress I discussed the matter of lynching. In it I gave utterance to the abhorrence which all decent citizens should feel for the deeds of the men (in almost all cases white men) who take part in lynchings, and at the same time I condemned, as all decent men of any color should condemn, the action of those colored men who actively or passively shield the colored criminal from the law. In the case of these companies we had to deal with men who in the first place were guilty of what is practically the worst possible form of lynching—for a lynching is in its essence lawless and murderous vengeance taken by an armed mob for real or fancied wrongs—and who in the second place covered up the crime of lynching by standing with a vicious solidarity to protect the criminals.

It is of the utmost importance to all our people that we shall deal with each man on his merits as a man, and not deal with him merely as a member of a given race; that we shall judge each man by his conduct and not his color. This is important for the white man, and it is far more important for the colored man. More evil and sinister counsel never was given to any people than that given to colored men by those advisers, whether black or white, who, by apology and condonation, encourage conduct such as that of the three companies in question. If the colored men elect to stand by criminals of their own race because they are of their own race, they assuredly lay up for themselves the most dreadful day of reckoning. Every farsighted friend of the colored race in its efforts to strive onward and upward, should teach first, as the most important lesson, alike to the white man and the black, the duty of treating the individual man strictly on his worth as he shows it. Any conduct by colored people which tends to substitute for this rule the rule of standing by and shielding an evil doer because he is a member of their race, means the inevitable degradation of the colored race. It may and probably does mean damage to the white race, but it means ruin to the black race.

Throughout my term of service in the Presidency I have acted on the principle thus advocated. In the North as in the South I have appointed colored men of high character to office, utterly disregarding the protests of those who would have kept them out of office because they were colored men. So far as was in my power, I have sought to secure for the colored people all their rights under the law. I have done all I could to secure them equal school training when young, equal opportunity to earn their livelihood, and achieve their happiness when old. I have striven to break up peonage; I have upheld the hands of those who, like Judge Jones and Judge Speer, have warred against this peonage, because I would hold myself unfit to be President if I did not feel the same revolt at wrong done a colored man as I feel at wrong done a white man. I have condemned in unstinted terms the crime of lynching perpetrated by white men, and I should take instant advantage of any opportunity whereby I could bring to justice a mob of lynchers. In precisely the same spirit I have now acted with reference to these colored men who have been guilty of a black and dastardly crime. In one policy, as in the other, I do not claim as a favor, but I challenge as a right, the support of every citizen of this country, whatever his color, provided only he has in him the spirit of genuine and farsighted patriotism.

THEODORE ROOSEVELT.

SPECIAL MESSAGE.

THE WHITE HOUSE, January 14, 1907.

To the Senate:

In my message to the Senate treating of the dismissal, without honor, of certain named members of the three companies of the Twenty-fifth Infantry, I gave the reports of the officers upon which the dismissal was based. These reports were made in accordance with the custom in such cases; for it would, of course, be impossible to preserve discipline in the Army save by pursuing precisely the course that in this case was pursued. Inasmuch, however, as in the Senate question was raised as to the sufficiency of the evidence, I deemed it wise to send Major Blocksom, and Assistant to the Attorney-General Purdy, to Brownsville to make a thorough investigation on the ground in reference to the matter. I herewith transmit Secretary Taft's report, and the testimony taken under oath of the various witnesses examined in the course of the investigation. I also submit various exhibits, including maps of Brownsville and Fort Brown, photographs of various buildings, a letter from Judge Parks to his wife, together with a bandoleer, 33 empty shells, 7 ball cartridges, and 4 clips picked up in the streets of Brownsville within a few hours after the shooting; 3 steel-jacketed bullets and some scraps of the casings of other bullets picked out of the houses into which they had been fired. A telegram from United States Commissioner R. B. Creager, at Brownsville, announces that 6 additional bullets—like the others, from Springfield rifles—taken from buildings in Brownsville, with supporting affidavits, have since been sent to the Secretary of War.

It appears from the testimony that on the night of the 13th of August, 1906, several crimes were committed by some person or persons in the city of Brownsville. Among these were the following:

(*a*) The murder of Frank Natus.

(*b*) The assault with intent to kill the lieutenant of police, Dominguez, whose horse was killed under him and whose arm was shot so severely that it had to be amputated.

(*c*) The assault with intent to kill Mr. and Mrs. Hale Odin, and their little boy, who were in the window of the Miller Hotel.

(*d*) The shooting into several private residences in the city of Brownsville, three of them containing women and children.

(*e*) The shooting at and slightly wounding of Preciado.

These crimes were certainly committed by somebody.

As to the motive for the commission of the crimes, it appears that trouble of a more or less serious kind had occurred between individual members of the companies and individual citizens of Brownsville, culminating in complaints which resulted in the soldiers being confined within the limits of the garrison on the evening of the day in question.

The evidence, as will be seen, shows beyond any possibility of honest question that some individuals among the colored troops whom I have dismissed committed the outrages mentioned; and that some or all of the other individuals whom I dismissed had knowledge of the deed and shielded from the law those who committed it.

The only motive suggested as possibly influencing anyone else was a desire to get rid of the colored troops, so strong that it impelled the citizens of Brownsville to shoot up their own houses, to kill one of their own number, to assault their own police, wounding the lieutenant, who had been an officer for twenty years—all with the purpose of discrediting the negro troops. The suggestion is on its face so ludicrously impossible that it is difficult to treat it as honestly made. This theory supposes that the assailants succeeded in obtaining the uniform of the negro soldiers; that before starting on their raid they got over the fence of the fort unchallenged, and without discovery by the negro troops opened fire on the town from within the fort; that they blacked their faces so that at least fourteen eye-witnesses mistook them for negroes; that they disguised their voices so that it least six witnesses who heard them speak mistook their voices as being those of negroes. They were not Mexicans, for they were heard by various witnesses to speak in English. The weapons they used were Springfield rifles; for the ammunition which they used was that of the Springfield rifle and no other, and could not have been used in any gun in Texas or any part of the Union or Mexico, or in any other part of the world, save only in the Springfield now used by the United States troops, including the negro troops in the garrison at Brownsville, and by no other persons save these troops—a weapon which had only been in use by the United States troops for some four or five months prior to the shooting in question, and which is not in the possession of private citizens.

The cartridge used will go into one other rifle used in the United States, when specially chambered—the Winchester of the '95 model—but it will rarely if ever go off when in it; and, moreover, the bullets picked out of the buildings show the markings of the four so-called "lands" which come from being fired through the Springfield, but not through the Winchester, the latter showing six. The bullets which I herewith submit, which were found in the houses, could not therefore have been fired from a Winchester or any other sporting rifle, although the cartridges might have been put into a Winchester model of '95. The bullets might have been fired from a Krag, but the cartridges would not have gone into a Krag. Taking the shells and the bullets together, the proof is conclusive that the new Springfield rifle was the weapon used by the midnight assassins, and could not by any possibility have been any other rifle of any kind in the world. This of itself establishes the fact that the assailants were United States soldiers, and would be conclusive on this point if not one soldier had been seen or heard by any residents in Brownsville on the night in question, and if nothing were known save the finding of the shells, clips, and bullets.

Fourteen eye-witnesses, namely, Charles R. Chase, Amado Martinez, Mrs. Kate Leahy, Palerno Preciado, Ygnacio Dominguez, Macedonio Ramirez, George W. Rendall, Jose Martinez, J. P. McDonald, F. H. A. Sanborn, Herbert Elkins, Hale Odin, Mrs. Hale Odin, and Judge Parks, testified that they saw the assailants or some of them at varying distances, and that they were negro troops, most of the witnesses giving their testimony in such shape that there is no possibility of their having been mistaken. Two other witnesses, Joseph Bodin and Genero Padron, saw some of the assailants and testified that they were soldiers (the only soldiers in the neighborhood being the colored troops). Four other witnesses, namely, S. C. Moore, Doctor Thorn, Charles S. Canada, and Charles A. Hammond, testified to hearing the shooting and hearing the voices of the men who were doing it, and that these voices were those of negroes, but did not actually see the men who were doing the shooting. About 25 other witnesses gave testimony corroborating to a greater or less degree the testimony of those who thus saw the shooters or heard them. The testimony of these eye and ear-witnesses would establish beyond all possibility of contradiction the fact that the shooting was committed by ten or fifteen or more of the negro troops from the garrison, and this testimony of theirs would be amply sufficient in itself if not a cartridge or bullet had been found; exactly as the bullets and cartridges that were found would have established the guilt of the troops even had not a single eye-witness seen them or other witness heard them.

The testimony of the witnesses and the position of the bullet holes show that fifteen or twenty of the negro troops gathered inside the fort, and that the first shots fired into the town were fired from within the fort; some of them at least from the upper galleries of the barracks.

The testimony further shows that the troops then came out over the walls, some of them perhaps going through the gate, and advanced a distance of 300 yards or thereabouts into the town. During their advance they shot into two hotels and some nine or ten other houses. Three of the private houses into which they fired contained women and children. They deliberately killed Frank Natus, the bartender, shooting him down from a distance of about 15 yards. They shot at a man and woman, Mr. and Mrs. Odin, and their little boy, as they stood in the window of the Miller Hotel, the bullet going less than 2 inches from the head of the woman. They shot down the lieutenant of police, who was on horseback, killing his horse and wounding him so that his arm had to be amputated. They attempted to kill the two policemen who were his companions, shooting one through the hat. They shot at least 8 bullets into the Cowen house, putting out a lighted lamp on the dining-room table. Mrs. Cowen and her five children were in the house; they at once threw themselves prone on the floor and were not hit. They fired into the Starck house, the bullets going through the mosquito bar of a bed from 18 to 20 inches above where little children were sleeping. There was a light in the children's room.

The shooting took place near midnight. The panic caused by the utterly unexpected attack was great. The darkness, of course, increased the confusion. There is conflict of testimony on some of the minor points, but every essential point is established beyond possibility of honest question. The careful examination of Mr. Purdy, Assistant to the Attorney-General, resulted merely in strengthening the reports already made by the regular army authorities. The shooting, it appears, occupied about ten minutes, although it may have been some minutes more or less. It is out of the question that the fifteen or twenty men engaged in the assault could have gathered behind the wall of the fort, begun firing, some of them on the porches of the barracks, gone out into the town, fired in the neighborhood of 200 shots in the town, and then returned—the total time occupied from the time of the first shot to the time of their return being somewhere in the neighborhood of ten minutes—without many of their comrades knowing what they had done. Indeed, the fuller details as established by the additional evidence taken since I last communicated with the Senate make it likely that there were very few, if any, of the soldiers dismissed who could have been ignorant of what occurred. It is well-nigh impossible that any of the noncommissioned officers who were at the barracks should not have known what occurred.

The additional evidence thus taken renders it in my opinion impossible to question the conclusions upon which my order was based. I have gone most carefully over every issue of law and fact that has been raised. I am now satisfied that the effect of my order dismissing these men without honor was not to bar them from all civil employment under the Government, and therefore that the part of the order which consisted of a declaration to this effect was lacking in validity, and I have directed that such portion be revoked. As to the rest of the order, dismissing the individuals in question without honor, and declaring the effect of such discharge under the law and regulations to be a bar to their future reenlistment either in the Army or the Navy, there is no doubt of my constitutional and legal power. The order was within my discretion, under the Constitution and the laws, and can not be reviewed or reversed save by another Executive order. The facts did not merely warrant the action I took—they rendered such action imperative unless I was to prove false to my sworn duty.

If any one of the men discharged hereafter shows to my satisfaction that he is clear of guilt, or of shielding the guilty, I will take what action is warranted; but the circumstances I have above detailed most certainly put upon any such man the burden of thus clearing himself.

THEODORE ROOSEVELT.

SPECIAL MESSAGE.

THE WHITE HOUSE, March 25, 1908.

To the Senate and House of Representatives:

I call your attention to certain measures as to which I think there should be action by the Congress before the close of the present session. There is ample time for their consideration. As regards most if not all of the matters, bills have been introduced into one or the other of the two Houses, and it is not too much to hope that action will be taken one way or the other on these bills at the present session. In my message at the opening of the present session, and, indeed, in various messages to previous Congresses, I have repeatedly suggested action on most of these measures.

Child labor should be prohibited throughout the Nation. At least a model child-labor bill should be passed for the District of Columbia. It is unfortunate that in the one place solely dependent upon Congress for its legislation there should be no law whatever to protect children by forbidding or regulating their labor.

I renew my recommendation for the immediate reënactment of an employers' liability law, drawn to conform to the recent decision of the Supreme Court. Within the limits indicated by the court, the law should be made thorough and comprehensive, and the protection it affords should embrace every class of employee to which the power of the Congress can extend.

In addition to a liability law protecting the employees of common carriers, the Government should show its good faith by enacting a further law giving compensation to its own employees for injury or death incurred in its service. It is a reproach to us as a Nation that in both Federal and State legislation we have afforded less protection to public and private employees than any other industrial country of the world.

I also urge that action be taken along the line of the recommendations I have already made concerning injunctions in labor disputes. No temporary restraining order should be issued by any court without notice; and the petition for a permanent injunction upon which such temporary restraining order has been issued should be heard by the court issuing the same within a reasonable time—say, not to exceed a week or thereabouts from the date when the order was issued. It is worth considering whether it would not give greater popular confidence in the impartiality of sentences for contempt if it was required that the issue should be decided by another judge than the one issuing the injunction, except where the contempt is committed in the presence of the court, or in other case of urgency.

I again call attention to the urgent need of amending the interstate-commerce law and especially the anti-trust law along the lines indicated in my last message. The interstate-commerce law should be amended so as to give railroads the right to make traffic agreements, subject to these agreements being approved by the Interstate Commerce Commission and published in all of their details. The Commission should also be given the power to make public and to pass upon the issuance of all securities hereafter issued by railroads doing an interstate-commerce business.

A law should be passed providing in effect that when a Federal court determines to place a common carrier or other public utility concern under the control of a receivership, the Attorney-General should have the right to nominate at least one of the receivers; or else in some other way the interests of the stockholders should be consulted, so that the management may not be wholly redelivered to the man or men the failure of whose policy may have necessitated the creation of the receivership. Receiverships should be used, not to operate roads, but as speedily as possible to pay their debts and return them to the proper owners.

In addition to the reasons I have already urged on your attention, it has now become important that there should be an amendment of the anti-trust law, because of the uncertainty as to how this law affects combinations among labor men and farmers, if the combination has any tendency to restrict interstate commerce. All of these combinations, if and while existing for and engaged in the promotion of innocent and proper purposes, should be recognized as legal. As I have repeatedly pointed out, this antitrust law was a most unwisely drawn statute. It was perhaps inevitable that in feeling after the right remedy the first attempts to provide such should be crude; and it was absolutely imperative that some legislation should be passed to control, in the interest of the public, the business use of the enormous aggregations of corporate wealth that are so marked a feature of the modern industrial world. But the present anti-trust law, in its construction and working, has exemplified only too well the kind of legislation which, under the guise of being thoroughgoing, is drawn up in such sweeping form as to become either ineffective or else mischievous.

In the modern industrial world combinations are absolutely necessary; they are necessary among business men, they are necessary among laboring men, they are becoming more and more necessary among farmers. Some of these combinations are among the most powerful of all instruments for wrongdoing. Others offer the only effective way of meeting actual business needs. It is mischievous and unwholesome to keep upon the statute books unmodified, a law, like the anti-trust law, which, while in practice only partially effective against vicious combinations, has nevertheless in theory been construed so as sweepingly to prohibit every combination for the transaction of modern business. Some real good has resulted from this law. But the time has come when it is imperative to modify it. Such modification is urgently needed for the sake of the business men of the country, for the sake of the wage-workers, and for the sake of the farmers. The Congress can not afford to leave it on the statute books in its present shape.

It has now become uncertain how far this law may involve all labor organizations and farmers' organizations, as well as all business organizations, in conflict with the law; or, if we secure literal compliance with the law, how far it may result in the destruction of the organizations necessary for the transaction of modern business, as well as of all labor organizations and farmers' organizations, completely check the wise movement for securing business cooperation among farmers, and put back half a century the progress of the movement for the betterment of labor. A bill has been presented in the Congress to remedy this situation. Some such measure as this bill is needed in the interest of all engaged in the industries which are essential to the country's well-being. I do not pretend to say the exact shape that the bill should take, and the suggestions I have to offer are tentative; and my views would apply equally to any other measure which would achieve the desired end. Bearing this in mind, I would suggest, merely tentatively, the following changes in the law:

The substantive part of the anti-trust law should remain as at present; that is, every contract in restraint of trade or commerce among the several States or with foreign nations should continue to be declared illegal; provided, however, that some proper governmental authority (such as the Commissioner of Corporations acting under the Secretary of Commerce and Labor) be allowed to pass on any such contracts. Probably the best method of providing for this would be to enact that any contract, subject to the prohibition contained in the antitrust law, into which it was desired to enter, might be filed with the Bureau of Corporations or other appropriate executive body. This would provide publicity. Within, say, sixty days of the filing—which period could be extended by order of the Department whenever for any reason it did not give the Department sufficient time for a thorough examination—the executive department having power might forbid the contract, which would then become subject to the provisions of the anti-trust law, if at all in restraint of trade.

If no such prohibition was issued, the contract would then only be liable to attack on the ground that it constituted an unreasonable restraint of trade. Whenever the period of filing had passed without any such prohibition, the contracts or combinations could be disapproved or forbidden only after notice and hearing with a reasonable provision for summary review on appeal by the courts. Labor organizations, farmers' organizations, and other organizations not organized for purposes of profit, should be allowed to register under the law by giving the location of the head office, the charter and by-laws, and the names and addresses of their principal officers. In the interest of all these organizations—business, labor, and farmers' organizations alike—the present provision permitting the recovery of threefold damages should be abolished, and as a substitute therefor the right of recovery allowed for should be only the damages sustained by the plaintiff and the cost of suit, including a reasonable attorney's fee.

The law should not affect pending suits; a short statute of limitations should be provided, so far as the past is concerned, not to exceed a year. Moreover, and even more in the interest of labor than of business combinations, all such suits brought for causes of action heretofore occurred should be brought only if the contract or combination complained of was unfair or unreasonable. It may be well to remember that all of the suits hitherto brought by the Government under the antitrust law have been in cases where the combination or contract was in fact unfair, unreasonable, and against the public interest.

It is important that we should encourage trade agreements between employer and employee where they are just and fair. A strike is a clumsy weapon for righting wrongs done to labor, and we should extend, so far as possible, the process of conciliation and arbitration as a substitute for strikes. Moreover, violence, disorder, and coercion, when committed in connection with strikes, should be as promptly and sternly repressed as when committed in any other connection. But strikes themselves are, and should be, recognized to be entirely legal. Combinations of workingmen have a peculiar reason for their existence. The very wealthy individual employer, and still more the very wealthy corporation, stand at an enormous advantage when compared to the individual workingman; and while there are many cases where it may not be necessary for laborers to form a union, in many other cases it is indispensable, for otherwise the thousands of small units, the thousands of individual workingmen, will be left helpless in their dealings with the one big unit, the big individual or corporate employer.

Twenty-two years ago, by the act of June 29, 1886, trades unions were recognized by law, and the right of laboring people to combine for all lawful purposes was formally recognized, this right including combination for mutual protection and benefits, the regulation of wages, hours and conditions of labor, and the protection of the individual rights of the workmen in the prosecution of their trade or trades; and in the act of June 1, 1898, strikes were recognized as legal in the same provision that forbade participation in or instigation of force or violence against persons or property, or the attempt to prevent others from working, by violence, threat, or intimidation. The business man must be protected in person and property, and so must the farmer and the wageworker; and as regards all alike, the right of peaceful combination for all lawful purposes should be explicitly recognized.

The right of employers to combine and contract with one another and with their employees should be explicitly recognized; and so should the right of the employees to combine and to contract with one another and with the employers, and to seek peaceably to persuade others to accept their views, and to strike for the purpose of peaceably obtaining from employers satisfactory terms for their labor. Nothing should be done to legalize either a blacklist or a boycott that would be illegal at common law; this being the type of boycott defined and condemned by the Anthracite Strike Commission.

The question of financial legislation is now receiving such attention in both Houses that we have a right to expect action before the close of the session. It is urgently necessary that there should be such action. Moreover, action should be taken to establish postal savings banks. These postal savings banks are imperatively needed for the benefit of the wageworkers and men of small means, and will be a valuable adjunct to our whole financial system.

The time has come when we should prepare for a revision of the tariff. This should be, and indeed must be, preceded by careful investigation. It is peculiarly the province of the Congress and not of the President, and indeed peculiarly the province of the House of Representatives, to originate a tariff bill and to determine upon its terms; and this I fully realize. Yet it seems to me that before the close of this session provision should be made for collecting full material which will enable the Congress elected next fall to act immediately after it comes into existence. This would necessitate some action by the Congress at its present session, perhaps in the shape of directing the proper committee to gather the necessary information, both through the committee itself and through Government agents who should report to the committee and should lay before it the facts which would permit it to act with prompt and intelligent fairness. These Government agents, if it is not deemed wise to appoint individuals from outside the public service, might with advantage be members of the Executive Departments, designated by the President, on his own motion or on the request of the committee, to act with it.

I am of the opinion, however, that one change in the tariff could with advantage be made forthwith. Our forests need every protection, and one method of protecting them would be to put upon the free list wood pulp, with a corresponding reduction upon paper made from wood pulp, when they come from any country that does not put an export duty upon them.

Ample provision should be made for a permanent Waterways Commission, with whatever power is required to make it effective. The reasonable expectation of the people will not be met unless the Congress provides at this session for the beginning and prosecution of the actual work or waterway improvement and control. The Congress should recognize in fullest fashion the fact that the subject of the conservation of our natural resources, with which this Commission deals, is literally vital for the future of the Nation.

Numerous bills granting water-power rights on navigable streams have been introduced. None of them gives the Government the right to make a reasonable charge for the valuable privileges so granted, in spite of the fact that these water-power privileges are equivalent to many thousands of acres of the best coal lands for their production of power. Nor is any definite time limit set, as should always be done in such cases. I shall be obliged hereafter, in accordance with the policy stated in a recent message, to veto any water-power bill which does not provide for a time limit and for the right of the President or of the Secretary concerned to fix and collect such a charge as he may find to be just and reasonable in each case.

THEODORE ROOSEVELT.

SPECIAL MESSAGE.

THE WHITE HOUSE, December 14, 1908.

To the Senate:

I inclose herewith a letter from the Secretary of War transmitting a report of the investigation made by Mr. Herbert J. Browne, employed by the Department in conjunction with Capt. W. G. Baldwin to investigate as far as possible what happened at Brownsville on the 13th and 14th of August, 1906. The report and documents contain some information of great value and some statements that are obviously worthless, but I submit them in their entirety.

This report enables us to fix with tolerable definiteness at least some of the criminals who took the lead in the murderous shooting of private citizens at Brownsville. It establishes clearly the fact that the colored soldiers did the shooting; but upon this point further record was unnecessary, as the fact that the colored soldiers did the shooting has already been established beyond all possibility of doubt. The investigation has not gone far enough to enable us to determine all the facts, and we will proceed with it; but it has gone far enough to determine with sufficient accuracy certain facts of enough importance to make it advisable that I place the report before you. It appears that almost all the members of Company B must have been actively concerned in the shooting, either to the extent of being participants or to the extent of virtually encouraging those who were participants. As to Companies C and D, there can be no question that practically every man in them must have had knowledge that the shooting was done by some of the soldiers of B Troop, and possibly by one or two others in one of the other troops. This concealment was itself a grave offense, which was greatly aggravated by their testifying before the Senate committee that they were ignorant of what they must have known. Nevertheless, it is to be said in partial extenuation that they were probably cowed by threats, made by the more desperate of the men who had actually been engaged in the shooting, as to what would happen to any man who failed to protect the wrongdoers. Moreover, there are circumstances tending to show that these misguided men were encouraged by outsiders to persist in their course of concealment and denial. I feel, therefore, that the guilt of the men who, after the event, thus shielded the perpetrators of the wrong by refusing to tell the truth about them, though serious, was in part due to the unwise and improper attitude of others, and that some measure of allowance should be made for the misconduct. In other words, I believe we can afford to reinstate any of these men who now truthfully tell what has happened, give all the aid they can to fix the responsibility upon those who are really guilty, and show that they themselves had no guilty knowledge beforehand and were in no way implicated in the affair, save by having knowledge of it afterwards and failing and refusing to divulge it. Under the circumstances, and in view of the length of time they have been out of the service, and their loss of the benefit that would have accrued to them by continuous long-time service, we can afford to treat the men who meet the requirements given above as having been sufficiently punished by the consequences they brought upon themselves when they rendered necessary the exercise of the disciplinary power. I recommend that a law be passed allowing the Secretary of War, within a fixed period of time, say a year, to reinstate any of these soldiers whom he, after careful examination, finds to have been innocent and whom he finds to have done all in his power to help bring to justice the guilty.

Meanwhile, the investigation will be continued. The results have made it obvious that only by carrying on the investigation as the War Department has actually carried it on is there the slightest chance of bringing the offenders to justice or of separating not the innocent, for there were doubtless hardly any innocent, but the less guilty from those whose guilt was heinous.

THEODORE ROOSEVELT.

SPECIAL MESSAGE.

THE WHITE HOHSE, December 15, 1908.

To the Senate and House of Representatives:

In view of the constant reiteration of the assertion that there was some corrupt action by or on behalf of the United States Government in connection with the acquisition of the title of the French Company to the Panama Canal, and of the repetition of the story that a syndicate of American citizens owned either one or both of the Panama companies, I deem it wise to submit to the Congress all the information I have on the subject. These stories were first brought to my attention as published in a paper in Indianapolis, called "The News," edited by Mr. Delavan Smith. The stories were scurrilous and libelous in character and false in every essential particular. Mr. Smith shelters himself behind the excuse that he merely accepted the statements which had appeared in a paper published in New York, "The World," owned by Mr. Joseph Pulitzer. It is idle to say that the known character of Mr. Pulitzer and his newspaper are such that the statements in that paper will be believed by nobody; unfortunately, thousands of persons are ill informed in this respect and believe the statements they see in print, even though they appear in a newspaper published by Mr. Pulitzer. A Member of Congress has actually introduced a resolution in reference to these charges. I therefore lay all the facts before you.

The story repeated at various times by the World and by its followers in the newspaper press is substantially as follows: That there was corruption by or on behalf of the Government of the United States in the transaction by which the Panama Canal property was acquired from its French owners; that there were improper dealings of some kind between agents of the Government and outside persons, representing or acting for an American syndicate, who had gotten possession of the French Company; that among these persons, who it was alleged made "huge profits," were Mr. Charles P. Taft, a brother of Mr. William H. Taft, then candidate for the Presidency, and Mr. Douglas Robinson, my brother-in-law; that Mr. Cromwell, the counsel for the Panama Canal Company in the negotiations, was in some way implicated with the United States governmental authorities in these improper transactions; that the Government has concealed the true facts, and has destroyed, or procured or agreed to the destruction of, certain documents; that Mr. W. H. Taft was Secretary of War at the time that by an agreement between the United States Government and the beneficiaries of the deal all traces thereof were "wiped out" by transferring all the archives and "secrets" to the American Government, just before holding the convention last June at which Mr. Taft was nominated.

These statements sometimes appeared in the editorials, sometimes in the news columns, sometimes in the shape of contributions from individuals either unknown or known to be of bad character. They are false in every particular from beginning to end. The wickedness of the slanders is only surpassed by their fatuity. So utterly baseless are the stories that apparently they represent in part merely material collected for campaign purposes and in part stories originally concocted with a view of possible blackmail. The inventor of the story about Mr. Charles P. Taft, for instance, evidently supposed that at some period of the Panama purchase Mr. W. H. Taft was Secretary of War, whereas in reality Mr. W. H. Taft never became Secretary of War until long after the whole transaction in question had been closed. The inventor of the story about Mr. Douglas Robinson had not taken the trouble to find out the fact that Mr. Robinson had not had the slightest connection, directly or indirectly, of any kind or sort with any phase of the Panama transaction from beginning to end. The men who attacked Mr. Root in the matter had not taken the trouble to read the public documents which would have informed them that Mr. Root had nothing to do with the purchase, which was entirely arranged through the Department of Justice under the then Attorney-General, Mr. Knox.

Now, these stories as a matter of fact need no investigation whatever. No shadow of proof has been, or can be, produced in behalf of any of them. They consist simply of a string of infamous libels. In form, they are in part libels upon individuals, upon Mr. Taft and Mr. Robinson, for instance. But they are in fact wholly, and in form partly, a libel upon the United States Government. I do not believe we should concern ourselves with the particular individuals who wrote the lying and libelous editorials, articles from correspondents, or articles in the news columns. The real offender is Mr. Joseph Pulitzer, editor and proprietor of the World. While the criminal offense of which Mr. Pulitzer has been guilty is in form a libel upon individuals, the great injury done is in blackening the good name of the American people. It should not be left to a private citizen to sue Mr. Pulitzer for libel. He should be prosecuted for libel by the governmental authorities. In point of encouragement of iniquity, in point of infamy, of wrongdoing, there is nothing to choose between a public servant who betrays his trust, a public servant who is guilty of blackmail, or theft, or financial dishonesty of any kind, and a man guilty as Mr. Joseph Pulitzer has been guilty in this instance. It is therefore a high national duty to bring to justice this vilifier of the American people, this man who wantonly and wickedly and without one shadow of justification seeks to blacken the character of reputable private citizens and to convict the Government of his own country in the eyes of the civilized world of wrongdoing of the basest and foulest kind, when he has not one shadow of justification of any sort or description for the charge he has made. The Attorney-General has under consideration the form in which the proceedings against Mr. Pulitzer shall be brought.

Meanwhile I submit to you all the accompanying papers, so that you may have before you complete information on the subject. I call your attention to my communications in my messages to the Congress of January 20, 1902, March 11, 1903, December 7, 1903, January 4, 1904, and December 17, 1906, in which I set forth at length the history of various phases of the whole transaction. I recall your attention to the report and opinion of the Attorney-General rendered to me, dated October 25, 1902, with the accompanying documents and exhibits. I call your attention to the correspondence of the officers and agents of the Panama Canal Company with the President and other officers of the United States printed in Senate Document No. 34, December 10, 1902; also to the copy of the official proceedings of the New Panama

Canal Company at Paris on the 30th of December, 1903, together with a report of the Council of Administration of that company, printed in Senate Document No. 133, January 28, 1904; and to the copy of the general conveyance by the New Panama Canal Company to the United States, also copies of certain telegrams from the president of the company making an offer of sale, and Attorney-General Knox's cablegram in response printed in Senate Document No. 285, March 23, 1906. I call your attention furthermore to the exhaustive testimony recorded in public document (Sen. Doc. No. 411, 59th Cong., 2nd sess.), which contains the searching investigation into the whole transaction made by the Congress for its information and fully considered by the Congress before it took action.

In the Act approved June 28, 1902, "To provide for the construction of a canal connecting the waters of the Atlantic and Pacific oceans," the Congress provided as follows:

> "That the President of the United States is hereby authorized to acquire, for and on behalf of the United States, at a cost not exceeding forty missions of dollars, the rights, privileges, franchises, concessions, grants of land, right of way, unfinished work, plants, and other property, real, personal, and mixed, of every name and nature, owned by the New Panama Canal Company, of France, on the Isthmus of Panama, and all its maps, plans, drawings, records on the Isthmus of Panama, and in Paris, including all the capital stock, not less, however, than sixty-eight thousand eight hundred and sixty-three shares of the Panama Railroad Company, owned by or held for the use of said Canal Company, provided a satisfactory title to all of said property can be obtained."

It thereupon became the duty of the President, in execution of this statute, to purchase the property specified from the New Panama Canal Company, of France, provided he could obtain a satisfactory title. The Department of Justice was instructed to examine the title, and after such an examination Attorney-General Knox reported that a satisfactory title could be obtained. Payment of the purchase price was thereupon made to the New Panama Canal Company, in accordance with the act of Congress, and the property was conveyed by that company to the United States. It was no concern of the President, or of any officer of the Executive Department, to inquire as to what the New Panama Canal Company did with the money which it received. As a matter of fact, the New Panama Canal Company did distribute the money between its shareholders and the shareholders of the preceding Panama Canal Company in accordance with the decree of a French court, and the records of the French court show who were the shareholders who received the money; but that is no concern of ours.

I call your attention to the accompanying statement as to the attempt to form an American company in 1899 for the purpose of taking over the property of the French company. This attempt proved abortive. There was no concealment in its effort to put through this plan; its complete failure and abandonment being known to everyone.

The important points set forth in the accompanying papers, and in the papers to which I have referred you, are as follows:

The investigation of the history, physical condition, and existing value of the enterprise by the Congress, resulting in the enactment of the law of 1902 authorizing the President to acquire the property for the sum of $40,000,000 upon securing a satisfactory title and thereupon to undertake the work of construction; the failure of the Americanization of the enterprise in 1899; the transmission by me to the Congress from time to time of full information and advice as to the relations of this Government to transit across the Isthmus and under the treaties, as to the negotiations and final acquisition of the title, and later as to the progress and condition of the work of construction; the previous authorization of the sale to the United States by the stockholders of the new company and their subsequent ratification; the examination and approval of the title by Mr. Knox; the arrangements for payment through J. P. Morgan & Company as the fiscal agents of this Government, and the payment accordingly at the Bank of France upon proper official receipts to the liquidators acting under the decree of the French court, the French governmental body having jurisdiction in the matter; and, finally, the subsequent apportionment and distribution of the fund to the creditors and stockholders of the two companies under that decree.

The Panama Canal transaction was actually carried through not by either the then Secretary of State, Mr. John Hay, or the then Secretary of War, Mr. Elihu Root, both of whom, however, were cognizant of all the essential features; but by the then Attorney-General, Mr. P. C. Knox, at present Senator from Pennsylvania. I directed or approved every action, and am responsible for all that was done in carrying out the will of the Congress; and the provisions of the law, enacted by Congress after exhaustive examination and discussion, were scrupulously complied with by the Executive. While the transaction was pending I saw Mr. Cromwell but two or three times, and my communications with him were limited to the exchange of purely formal courtesies. Secretary Hay occasionally saw him, in the same manner; I doubt whether Mr. Root held any conversation with him. The Attorney-General saw him frequently, as he was counsel for the Panama Company; their communications were official, as representing the two sides. I enclose copies of my correspondence with Mr. William Dudley Foulke, who first brought these scandalous stories to my attention, and with Senator Knox and Mr. Cromwell, to whom I wrote in response to the request of a gentleman who wished to know about the stockholders in the Panama Canal Company.

The title to the Panama Canal properties was vested in the New

Panama Canal Company of France, which was the legal owner thereof, and the old or so-called De Lesseps Company had a large equity therein. The title was not in a New Jersey company nor in any other American company, nor did this Government have any dealings with any American company throughout the affair.

The exact legal status, to the most minute detail, appears in the exhaustive opinion of Attorney-General Knox approving the title to be given to the United States, which clearly establishes that the only party dealt with was the New Panama Canal Company of France (with the concurrence of the liquidator of the old company) and not any American corporation or syndicate.

The action of the United States Government was, of course, wholly uninfluenced by, and had nothing whatever to do with, any question as to who were, or who had been, the security-holders of either the new or the old company. Who such security-holders were was not our affair. If, as a matter of fact, the Canal companies, either or both, had been owned by American citizens or by citizens of any other nationality, it would not have altered in the slightest degree the action taken by this Government. Our concern was to get the canal property which was owned by the French Company, and to see that the title was clear. Our transactions were carried on openly, and were published in detail, and we dealt solely (so far as the interests of the old Panama Company were concerned) with the liquidator appointed by the proper French governmental body, the Civil Tribunal of the Seine, and in accordance with the decree of this same tribunal, with the New Panama Canal Company, which also went into liquidation upon the sale to the United States. All our transactions were carried on openly, and were published in detail.

The distribution of our payment of $40,000,000 follows the award of arbitrators chosen by the new company and the liquidator, authorized by the decree of this same Civil Tribunal of the Seine, and providing for a determination of the proportionate division between the new and old companies. We paid the money through the New York banking house of Messrs. J. P. Morgan & Company, acting as fiscal agents of this Government, into the Bank of France in Paris. The receipts and accounts of our Treasury Department show the payment of the money into the Bank of France and account for the money being paid over to the liquidator appointed by the Civil Tribunal of the Seine and to the New Panama Canal Company of France, the proportion of the forty million dollars being 128,600,000 francs to the liquidator of the old company and 77,400,000 francs to the New Panama Canal Company of France in liquidation. In these payments we followed to the letter the decree of the governmental tribunal of France which had the authority to make such a decree, the Civil Tribunal of the Seine. We had neither desire nor authority to go behind this decree of this proper governmental body, as all the conflicting rights of the security-holders of both companies had been settled by the decree of said court by ratification of the arbitration which resulted in that division.

I wish to make as clear as possible, and as emphatic as possible, the statement that we did not have anything to do with the distribution of a dollar of the $40,000,000 we paid as regards any stockholder or bondholder of the French Companies, save that we followed out the award of the arbitrators appointed in accordance with the decree of the French court which had dealt with the subject in awarding a certain proportion to the old company and a certain proportion to the new company. Any question concerning the stockholders, bondholders, or other beneficiaries of the proceeds of sale was purely a question for the Civil Tribunal of the Seine, the French governmental body, with which this Nation had nothing whatever to do.

Under these circumstances there was not the slightest need for Mr. Cromwell to give any information on the subject of the companies for which he had been counsel. This Government has no concern with Mr. Cromwell's relation to these companies, or either of them, or with the amount of his professional compensation; it was not the affair of this Government to inquire who were the security-holders of the companies. Nevertheless, Mr. Cromwell, of his own accord, has submitted to me, together with a copy of his statement published on the 11th instant, and which I transmit herewith, a full list of the stockholders of the New Panama Canal Company of France on January 15, 1900 (numbering over 6,000), and a list of all stockholders who were present at a special meeting of the company held February 28, 1902, immediately after the cable offer of the company was made to the United States (January 9-11, 1902), to accept the appraisement of $40,000,000 made by the Isthmian Canal Commission, and to sell for said sum the Panama Canal, concessions, and other property, and the shares of the Panama Railroad Company. He has also furnished me a certified copy of the final report of the liquidator of the old company, which was filed on June 25th last and formally approved by the Civil Tribunal of the Seine, together with a summary account prepared and signed by said liquidator as late as the 24th ultimo. I also transmit a translation of the two resolutions, with the vote upon them, adopted at a meeting of the stockholders of the new company held on April 23, 1904, for the purpose of finally ratifying the sale.

All these documents I herewith transmit as a part of this message. It appears from them that the creditors of the old company number 226,296 parties who have received dividends out of the funds in the hands of the liquidator, who, in his letter, states that in this present month of December the second and last distribution to the creditors will be begun, and that the average dividend heretofore paid to each individual was 782 francs, or $156. No payment whatever was or will be made upon the stock of the old company, as it was worthless from the day De Lesseps failed, and this cuts out from consideration all misleading statements regarding a possible purchase by anybody of the stock of the old Panama Canal Company. It has not received, and will not receive, a penny. Even upon the bonded indebtedness the dividend, I am thus informed, will amount, in the aggregate, to only about ten per centum. It likewise plainly appears that this distribution by the liquidator of the old company has been openly conducted at his office in Paris, No. 50 Rue Etienne Marcel, where all the receipts, accounts, and records of his payments are on file.

The New Panama Canal Company of France is in liquidation. As the accompanying papers set forth, this liquidated company received as its proportion of the $40,000,000 the sum of 77,400,000 francs, and this amount was distributed by the liquidation in three payments through four leading banks of Paris, covering a period of the past four years, and to shareholders numbering about 6,000. Every step of the transaction was not only taken publicly, but was, contemporaneously therewith, advertised in the legal and financial papers of France, and the banks making the payments took proper receipts from all the parties to whom payments were made, as is customary in such cases.

The capital of the New Panama Canal Company of France was 65,000,000 francs, and the distribution thus made amounted to about 130 francs on each share of 100 francs. No dividends were paid during the ten years of the company's existence. It therefore resulted that the shareholders only recovered their original investment with annual interest of about three per cent.

The accounts and records of this liquidation which was concluded in June last, are on deposit with the Crédit Lyonnaisé of Paris as a proper custodian of the same, appointed upon such liquidation. Recently a request was made by a private individual to inspect the records of these payments, but answer was made by the custodians that they saw no proper reason for granting such request by a stranger, and, inasmuch as there is not the slightest ground for suspicion of any bad faith in the transaction, it hardly seems worth while to make the request; but if the Congress desires, I have no doubt that on the request of our Ambassador in Paris, the lists of individuals will be shown him.

As a matter of fact, there is nothing whatever, in which this Government is interested, to investigate about this transaction. So far as this Government is concerned, every step of the slightest importance has been made public by its Executive, and every step taken in France has there been made public by the proper officials.

The Congress took the action it did take after the most minute and exhaustive examination and discussion, and the Executive carried out the direction of the Congress to the letter. Every act of this Government, every act for which this Government had the slightest responsibility, was in pursuance of the act of the Congress here, and following out the decree of the Civil Tribunal of the Seine in France.

Furthermore, through the entirely voluntary act of Mr. Cromwell, I am now able to present to you full information as to these actions in France with which this Government did not have any concern, and which are set forth in the accompanying papers.

It may be well to recall that the New Panama Canal Company of France did not itself propose or fix the figure $40,000,000 as the valuation of the canal and railroad properties. That sum was first fixed by our Isthmian Canal Commission in its reports to the Congress after two years of investigation and personal inspection of all the properties and work already done, whereby the properties and the work done were in detail appraised at that sum as their value to the United States. The French company steadily refused for over two years to make any offer whatever in answer to the many written requests of the Isthmian Canal Commission; and when its president did approach the question of price, it was on the basis of $109,000,000. Later, under conditions not necessary now to rehearse, the company, by cable, accepted the appraisement of $40,000,000 made by our Commission. This Government, therefore, acquired all the properties and concessions, both of canal and railroad, at its own valuation and price, the Congress approving the price, and authorizing the expenditure of the money, after the most exhaustive examination and discussion.

I transmit herewith lists of the documents in the possession of the Department of State, the Department of Justice, and the Department of War, so that, if the Congress sees fit, it may direct that they be printed. They are, and always have been, open to the examination of any Member of the Congress. There is no object in printing them, but there is also no objection to printing them, save that it is a useless expense.

I also transmit a list of the documents furnished by Mr. Cromwell.

THEODORE ROOSEVELT.

SPECIAL MESSAGE.

THE WHITE HOUSE, December 17, 1908.

To the Senate and House of Representatives:

The rapid increase of population in the national capital within recent years has greatly altered social conditions, necessitating changes in the machinery of its administration. Greater efficiency and a better provision for the protection of both the industrial and dependent classes are required.

Recognizing these needs, I have had a special report made to me on the affairs of the District of Columbia, which I transmit herewith. I cordially approve the recommendations in the report for the substitution of a single head or governor in place of three commissioners, the establishment of district or municipal departments in place of the existing bureaus, and the creation of a new department to be known as that of housing and labor. I ask your careful consideration of the entire report. Mr. Reynolds has rendered a great and disinterested service, for which our heartiest thanks are due him.

A single executive head would increase efficiency, determine responsibility, and eliminate delays and uncertainties inevitable under the present system. Municipal departments headed by commissioners to be appointed by the governor would yield the same advantage.

In the proposed scheme of reorganization the department of education should be coördinated with other city departments.

I especially urge that the proposed department of housing and labor be established. Poverty, disease, and crime are largely due to defects of social conditions and surroundings. The need of improved sanitary inspection of dwellings, rear alleys, and small shacks (such as, unhappily, still exist in Washington), and of stores, workshops, and factories should not be left to subordinate bureau chiefs, but should be brought under the direct control of a competent head of the above-named department.

An equally important public responsibility is the protection of the independent industrial class, which neither desires nor accepts charity, but whose members have often been led to misfortune, and even crime, through agencies licensed by the state, but defectively and inadequately supervised. Notable among these are pawnshops, loan and industrial insurance companies, and employment agencies. The supervision of these agencies is at present limited to the police. They should be under the direction of officials qualified to advance their efficiency and economic service to the public.

The above-named changes would vastly improve the efficiency of the District government, and would afford protection to its industrial and dependent classes which is imperatively needed.

I also transmit for the consideration of the Congress reports of the Committee on Building of Model Houses, which was appointed in accordance with the recommendation of Mr. Reynolds.

THEODORE ROOSEVELT.

SPECIAL MESSAGE.

THE WHITE HOUSE, February 15, 1909.

To the Senate and House of Representatives:

On January 25-26, 1909, there assembled in this city, on my invitation, a conference on the care of dependent children. To this conference there came from nearly every State in the Union men and women actively engaged in the care of dependent children, and they represented all the leading religious bodies.

The subject considered is one of high importance to the well-being of the nation. The Census Bureau reported in 1904 that there were in orphanages and children's homes about 93,000 dependent children. There are probably 50,000 more (the precise number never having been ascertained) in private homes, either on board or in adopted homes provided by the generosity of foster parents. In addition to these there were 25,000 children in institutions for juvenile delinquents.

Each of these children represents either a potential addition to the productive capacity and the enlightened citizenship of the nation, or, if allowed to suffer from neglect, a potential addition to the destructive forces of the community. The ranks of criminals and other enemies of society are recruited in an altogether undue proportion from children bereft of their natural homes and left without sufficient care.

The interests of the nation are involved in the welfare of this army of children no less than in our great material affairs.

Notwithstanding a wide diversity of views and methods represented in the conference, and notwithstanding the varying legislative enactments and policies of the States from which the members came, the conference, at the close of its sessions, unanimously adopted a series of declarations expressing the conclusions which they had reached. These constitute a wise, constructive, and progressive programme of child-caring work. If given full effect by the proper agencies, existing methods and practices in almost every community would be profoundly and advantageously modified.

More significant even than the contents of the declarations is the fact that they were adopted without dissenting vote and with every demonstration of hearty approval on the part of all present. They constitute a standard of accepted opinion by which each community should measure the adequacy of its existing methods and to which each community should seek to conform its legislation and its practice.

The keynote of the conference was expressed in these words:

> Home life is the highest and finest product of civilization. Children should not be deprived of it except for urgent and compelling reasons.

Surely poverty alone should not disrupt the home. Parents of good character suffering from temporary misfortune, and above all deserving mothers fairly well able to work but deprived of the support of the normal breadwinner, should be given such aid as may be necessary to enable them to maintain suitable homes for the rearing of their children. The widowed or deserted mother, if a good woman, willing to work and to do her best, should ordinarily be helped in such fashion as will enable her to bring up her children herself in their natural home. Children from unfit homes, and children who have no homes, who must be cared for by charitable agencies, should, so far as practicable, be cared for in families.

I transmit herewith for your information a copy of the conclusions reached by the conference, of which the following is a brief summary:

1. *Home care.*—Children of worthy parents or deserving mothers should, as a rule, be kept with their parents at home.
2. *Preventive work.*—The effort should be made to eradicate causes of dependency, such as disease and accident, and to substitute compensation and insurance for relief.
3. *Home finding.*—Homeless and neglected children, if normal, should be cared for in families, when practicable.
4. *Cottage system.*—Institutions should be on the cottage plan with small units, as far as possible.
5. *Incorporation.*—Agencies caring for dependent children should be incorporated, on approval of a suitable state board.
6. *State inspection.*—The State should inspect the work of all agencies which care for dependent children.
7. *Inspection of educational work.*—Educational work of institutions and agencies caring for dependent children should be supervised by state educational authorities.
8. *Facts and records.*—Complete histories of dependent children and their parents, based upon personal investigation and supervision, should be recorded for guidance of child-caring agencies.
9. *Physical care.*—Every needy child should receive the best medical and surgical attention, and be instructed in health and hygiene.
10. *Coöperation.*—Local child-caring agencies should coöperate and establish joint bureaus of information.
11. *Undesirable legislation.*—Prohibitive legislation against transfer of dependent children between States should be repealed.
12. *Permanent organization.*—A permanent organization for work along the lines of these resolutions is desirable.
13. *Federal children's bureau.*—Establishment of a federal children's bureau is desirable, and enactment of pending bill is earnestly recommended.
14. Suggests special message to Congress favoring federal children's bureau and other legislation applying above principles to District of Columbia and other federal territory.

While it is recognized that these conclusions can be given their fullest effect only by the action of the several States or communities concerned, or of their charitable agencies, the conference requested me, in section 14 of the conclusions, to send to you a message recommending federal action.

There are pending in both Houses of Congress bills for the establishment of a children's bureau, *i. e.*, Senate bill No. 8323 and House bill No. 24148. These provide for a children's bureau in the Department of the Interior, which

> shall investigate and report upon all matters pertaining to the welfare of children and child life, and shall especially investigate the questions of infant mortality, the birth rate, physical degeneracy, orphanage, juvenile delinquency and juvenile courts, desertion and illegitimacy, dangerous occupations, accidents and diseases of children of the working classes, employment, legislation affecting children in the several States and Territories, and such other facts as have a bearing upon the health, efficiency, character, and training of children.

One of the needs felt most acutely by the conference was that of accurate information concerning these questions relating to childhood. The National Government not only has the unquestioned right of research in such vital matters, but is the only agency which can effectively conduct such general inquiries as are needed for the benefit of all our citizens. In accordance with the unanimous request of the conference, I therefore most heartily urge your favorable action on these measures.

It is not only discreditable to us as a people that there is now no recognized and authoritative source of information upon these subjects relating to child life, but in the absence of such information as should be supplied by the Federal Government many abuses have gone unchecked; for public sentiment, with its great corrective power, can only be aroused by full knowledge of the facts. In addition to such information as the Census Bureau and other existing agencies of the Federal Government already provide, there remains much to be ascertained through lines of research not now authorized by law; and there should be correlation and dissemination of the knowledge obtained without any duplication of effort or interference with what is already being done. There are few things more vital to the welfare of the nation than accurate and dependable knowledge of the best methods of dealing with children, especially with those who are in one way or another handicapped by misfortune; and in the absence of such knowledge each community is left to work out its own problem without being able to learn of and profit by the success or failure of other communities along the same lines of endeavor. The bills for the establishment of the children's bureau are advocated not only by this conference, but by a large number of national organizations that are disinterestedly working for the welfare of children, and also by philanthropic, educational, and religious bodies in all parts of the country.

I further urge that such legislation be enacted as may be necessary in order to bring the laws and practices in regard to the care of dependent children in all federal territory into harmony with the other conclusions reached by the conference.

LEGISLATION FOR THE DISTRICT OF COLUMBIA.

Congress took a step in the direction of the conclusions of this conference in 1893, when, on the recommendation of the late Amos G. Warner, then superintendent of charities for the District of Columbia, the Board of Children's Guardians was created, with authority, among other things, to place children in family homes. That board has made commendable progress, and its work should be strengthened and extended.

I recommend legislation for the District of Columbia in accordance with the fifth, sixth, seventh, and eighth sections of the conclusions of the conference, as follows:

1. That the approval of the Board of Charities be required for the incorporation of all child-caring agencies, as well as amendments of the charter of any benevolent corporation which includes child-caring work, and that other than duly incorporated agencies be forbidden to engage in the care of needy children. This legislation is needed in order to insure the fitness and responsibility of those who propose to undertake the care of helpless children. Such laws have long been in satisfactory operation in several of the larger States of the Union.

2. That the Board of Charities, through its duly authorized agents, shall inspect the work of all agencies which care for dependent children, whether by institutional or by home-finding methods, and whether supported by public or private funds. The State has always jealously guarded the interests of children whose parents have been able to leave them property by requiring the appointment of a guardian, under bond, accountable directly to the courts, even though there be a competent surviving parent. Surely the interests of the child who is not only an orphan but penniless ought to be no less sacred than those of the more fortunate orphan who inherits property. If the protection of the Government is necessary in the one case, it is even more necessary in the other. If we are to require that only incorporated institutions shall be allowed to engage in this responsible work, it is necessary to provide for public inspection, lest the State should become the unconscious partner of those who either from ignorance or inefficiency are unsuited to deal with the problem.

3. That the education of children in orphan asylums and other similar institutions in the District of Columbia be under the supervision of the board of education, in order that these children may enjoy educational advantages equal to those of the other children. Normal school life comes next to normal home life in the process of securing the fullest development of the child.

4. That all agencies engaged in child-caring work in the District of Columbia be required by law to adopt adequate methods of investigation and make permanent records relative to children under their care, and to exercise faithful personal supervision over their wards until legally adopted or otherwise clearly beyond the need of further supervision; the forms and methods of such investigation, records, and supervision to be prescribed and enforced by the Board of Charities.

I deem such legislation as is herein recommended not only important for the welfare of the children immediately concerned, but important as setting an example of a high standard of child protection by the National Government to the several States of the Union, which should be able to look to the nation for leadership in such matters.

I herewith transmit a copy of the full text of the proceedings.

THEODORE ROOSEVELT.

SPECIAL MESSAGE.

THE WHITE HOUSE, January 23, 1907.

To the Senate and House of Representatives:

I call your attention to the great desirability of enacting legislation to help American shipping and American trade by encouraging the building and running of lines of large and swift steamers to South America and the Orient.

The urgent need of our country's making an effort to do something like its share of its own carrying trade on the ocean has been called to our attention in striking fashion by the experiences of Secretary Root on his recent South American tour. The result of these experiences he has set forth in his address before the Trans-Mississippi Commercial Congress, at Kansas City, Mo., on November 20 last, an address so important that it deserves the careful study of all public men.

The facts set forth by Mr. Root are striking, and they can not but arrest the attention of our people. The great continent to the south of us, which should be knit to us by the closest commercial ties, is hardly in direct commercial communication with us at all, its commercial relations being almost exclusively with Europe. Between all the principal South American ports and Europe lines of swift and commodious steamers, subsidized by their home governments, ply regularly. There is no such line of steamers between these ports and the United States. In consequence, our shipping in South American ports is almost a negligible quantity; for instance, in the year ending June 30, 1905, there entered the port of Rio de Janeiro over 3,000 steamers and sailing vessels from Europe, but from the United States no steamers and only seven sailing vessels, two of which were in distress. One prime reason for this state of things is the fact that those who now do business on the sea do business in a world not of natural competition, but of subsidized competition. State aid to steamship lines is as much a part of the commercial system of to-day as State employment of consuls to promote business. Our commercial competitors in Europe pay in the aggregate some twenty-five millions a year to their steamship lines—Great Britain paying nearly seven millions. Japan pays between three and four millions. By the proposed legislation the United States will still pay relatively less than any one of our competitors pay. Three years ago the Trans-Mississippi Congress formally set forth as axiomatic the statement that every ship is a missionary of trade, that steamship lines work for their own countries just as railroad lines work for their terminal points, and that it is as absurd for the United States to depend upon foreign ships to distribute its products as it would be for a department store to depend upon wagons of a competing house to deliver its goods. This statement is the literal truth.

Moreover, it must be remembered that American ships do not have to contend merely against the subsidization of their foreign competitors. The higher wages and the greater cost of maintenance of American officers and crews make it almost impossible for our people who do business on the ocean to compete on equal terms with foreign ships unless they are protected somewhat as their fellow-countrymen who do business on land are protected. We can not as a country afford to have the wages and the manner of life of our seamen cut down; and the only alternative, if we are to have seamen at all, is to offset the expense by giving some advantage to the ship itself.

The proposed law which has been introduced in Congress is in no sense experimental. It is based on the best and most successful precedents, as, for instance, on the recent Cunard contract with the British Government. As far as South America is concerned, its aim is to provide from the Atlantic and Pacific coasts better American lines to the great ports of South America than the present European lines. The South American Republics now see only our warships. Under this bill our trade friendship will be made evident to them. The bill proposes to build large-sized steamers of 16-knot speed. There are nearly 200 such steamships already in the world's foreign trade, and over three-fourths of them now draw subsidies—postal or admiralty or both. The bill will encourage our shipyards, which are almost as necessary to the national defense as battleships, and the efficiency of which depends in large measure upon their steady employment in large construction. The proposed bill is of importance to our Navy, because it gives a considerable fleet of auxiliary steamships, such as is now almost wholly lacking, and also provides for an effective naval reserve.

The bill provides for 14 steamships, subsidized to the extent of over a million and a half, from the Atlantic coast, all to run to South American ports. It provides on the Pacific coast for 22 steamers subsidized to the extent of two millions and a quarter, some of these to run to South America, most of them to Manila, Australia, and Asia. Be it remembered that while the ships will be owned on the coasts, the cargoes will largely be supplied by the interior, and that the bill will benefit the Mississippi Valley as much as it benefits the seaboard.

I have laid stress upon the benefit to be expected from our trade with South America. The lines to the Orient are also of vital importance. The commercial possibilities of the Pacific are unlimited, and for national reasons it is imperative that we should have direct and adequate communication by American lines with Hawaii and the Philippines. The existence of our present steamship lines on the Pacific is seriously threatened by the foreign subsidized lines. Our communications with the markets of Asia and with our own possessions in the Philippines, no less than our communications with Australia, should depend not upon foreign, but upon our own steamships. The Southwest and the Northwest should alike be served by these lines, and if this is done they will also give to the Mississippi Valley throughout its entire length the advantage of all trans-continental railways running to the Pacific coast. To fail to establish adequate lines on the Pacific is equivalent to proclaiming to the world that we have neither the ability nor the disposition to contend for our rightful share of the commerce of the Orient; nor yet to protect our interests in the Philippines. It would surely be discreditable for us to surrender to our commercial rivals the great commerce of the Orient, the great commerce we should have with South America, and even our own communications with Hawaii and the Philippines.

I earnestly hope for the enactment of some law like the bill in question.

THEODORE ROOSEVELT.

SPECIAL MESSAGE.

THE WHITE HOUSE, December 18, 1906.

To the Senate and House of Representatives:

I inclose herewith for your information the final report made to me personally by Secretary Metcalf on the situation affecting the Japanese in San Francisco. The report deals with three matters of controversy—first, the exclusion of the Japanese children from the San Francisco schools; second, the boycotting of Japanese restaurants, and third, acts of violence committed against the Japanese.

As to the first matter I call your especial attention to the very small number of Japanese children who attend school, to the testimony as to the brightness, cleanliness, and good behavior of these Japanese children in the schools, and to the fact that, owing to their being scattered throughout the city, the requirements for them all to go to one special school is impossible of fulfillment, and means that they can not have school facilities. Let me point out further that there would be no objection whatever to excluding from the schools any Japanese on the score of age. It is obviously not desirable that young men should go to school with children. The only point is the exclusion of the children themselves. The number of Japanese children attending the public schools in San Francisco was very small. The Government has already directed that suit be brought to test the constitutionality of the act in question, but my very earnest hope is that such suit will not be necessary, and that as a matter of comity the citizens of San Francisco will refuse to deprive these young Japanese children of education and will permit them to go to the schools.

The question as to the violence against the Japanese is most admirably put by Secretary Metcalf, and I have nothing to add to his statement. I am entirely confident that, as Secretary Metcalf says, the overwhelming sentiment of the State of California is for law and order and for the protection of the Japanese in their persons and property. Both the chief of police and the acting mayor of San Francisco assured Secretary Metcalf that everything possible would be done to protect the Japanese in the city. I authorized and directed Secretary Metcalf to state that if there was failure to protect persons and property, then the entire power of the Federal Government within the limits of the Constitution would be used promptly and vigorously to enforce the observance of our treaty, the supreme law of the land, which treaty guaranteed to Japanese residents everywhere in the Union full and perfect protection for their persons and property; and to this end everything in my power would be done, and all the forces of the United States, both civil and military, which I could lawfully employ, would be employed. I call especial attention to the concluding sentence of Secretary Metcalf's report of November 26, 1906.

THEODORE ROOSEVELT.

SPECIAL MESSAGE.

THE WHITE HOUSE, January 8, 1906.

To the Senate and House of Representatives:

I transmit herewith a report by the Secretary of State resubmitting the claim, which was not acted upon by the Fifty-eighth Congress, of

Messrs. Sivewright, Bacon & Co., for damages sustained by their vessel, the British steamship *Eastry,* in consequence of collisions at Manila in June, 1901, with certain coal hulks belonging to this Government.

I renew the recommendation which I made to the Congress on January 19, 1903, that, as an act of equity and comity, provision be made for reimbursement to the firm of the money expended by it in making the repairs to the ship which the collisions rendered necessary.

THEODORE ROOSEVELT.

William Howard Taft

March 4, 1909—

SEE VOLUME XI.

Volume eleven is not only an index to the other volumes, not only a key that unlocks the treasures of the entire publication, but it is in itself an alphabetically arranged brief history or story of the great controlling events constituting the History of the United States.

Under its proper alphabetical classification the story is told of every great subject referred to by any of the Presidents in their official Messages, and at the end of each story the official utterances of the Presidents themselves are cited upon the subject, so that you may readily turn to the page in the body of the work itself for this original information.

Next to the possession of knowledge is the ability to turn at will to where knowledge is to be found.

WILLIAM HOWARD TAFT

WILLIAM HOWARD TAFT, of Cincinnati, Ohio, was born in Cincinnati, Hamilton County, Ohio, September 15, 1857; was graduated in 1874 from Woodward High School; graduated from Yale University in 1878; graduated in law from Cincinnati College in 1880, in which year he was admitted to the bar of the Supreme Court of Ohio; appointed assistant prosecuting attorney in 1881; resigned in 1882 to become collector of internal revenue, first district of Ohio, under President Arthur; resigned collectorship in 1883 to enter the practice of law; in 1887 was appointed by Governor Foraker Judge of the Superior Court of Cincinnati; resigned in 1890 to become Solicitor-General of the United States under appointment of President Harrison; resigned in 1892 to become United States Circuit Judge for the Sixth Judicial Circuit; in 1896 became professor and dean of the law department of the University of Cincinnati; resigned in 1900 the circuit judgeship and deanship to become, by appointment of President McKinley, president of the United States Philippine Commission; in 1901, by appointment of President McKinley, became first Civil Governor of the Philippine Islands; was appointed Secretary of War by President Roosevelt February 1, 1904.

Nominated at Chicago on June 18, 1908, as Republican candidate for the Presidency, and was elected at the Presidential election following.

On the 10th of February, 1909, by a joint session of the Senate and the House of Representatives, the electoral vote was counted, which resulted in 321 votes for W. H. Taft and 162 votes for W. J. Bryan, giving Mr. Taft a majority of 159 votes.

He was duly inaugurated President of the United States on March 4, 1909.

INAUGURAL ADDRESS

March 4, 1909.

MY FELLOW CITIZENS:

Anyone who has taken the oath I have just taken must feel a heavy weight of responsibility. If not, he has no conception of the powers and duties of the office upon which he is about to enter, or he is lacking in a proper sense of the obligation which the oath imposes.

The office of an inaugural address is to give a summary outline of the main policies of the new administration, so far as they can be anticipated. I have had the honor to be one of the advisers of my distinguished predecessor, and, as such, to hold up his hands in the reforms he has initiated. I should be untrue to myself, to my promises, and to the declarations of the party platform upon which I was elected to office, if I did not make the maintenance and enforcement of those reforms a most important feature of my administration. They were directed to the suppression of the lawlessness and abuses of power of the great combinations of capital invested in railroads and in industrial enterprises carrying on interstate commerce. The steps which my predecessor took and the legislation passed on his recommendation have accomplished much, have caused a general halt in the vicious policies which created popular alarm, and have brought about in the business affected a much higher regard for existing law.

To render the reforms lasting, however, and to secure at the same time freedom from alarm on the part of those pursuing proper and progressive business methods, further legislative and executive action are needed. Relief of the railroads from certain restrictions of the antitrust law have been urged by my predecessor and will be urged by me. On the other hand, the administration is pledged to legislation looking to a proper federal supervision and restriction to prevent excessive issues of bonds and stocks by companies owning and operating interstate-commerce railroads.

Then, too, a reorganization of the Department of Justice, of the Bureau of Corporations in the Department of Commerce and Labor, and of the Interstate Commerce Commission, looking to effective cooperation of these agencies, is needed to secure a more rapid and certain enforcement of the laws affecting interstate railroads and industrial combinations.

I hope to be able to submit at the first regular session of the incoming Congress, in December next, definite suggestions in respect to the needed amendments to the antitrust and the interstate commerce law and the changes required in the executive departments concerned in their enforcement.

It is believed that with the changes to be recommended American business can be assured of that measure of stability and certainty in respect to those things that may be done and those that are prohibited which is essential to the life and growth of all business. Such a plan must include the right of the people to avail themselves of those methods of combining capital and effort deemed necessary to reach the highest degree of economic efficiency, at the same time differentiating between combinations based upon legitimate economic reasons and those formed with the intent of creating monopolies and artificially controlling prices.

The work of formulating into practical shape such changes is creative work of the highest order, and requires all the deliberation possible in the interval. I believe that the amendments to be proposed are just as necessary in the protection of legitimate business as in the clinching of the reforms which properly bear the name of my predecessor.

A matter of most pressing importance is the revision of the tariff. In accordance with the promises of the platform upon which I was elected, I shall call Congress into extra session to meet on the 15th day of March, in order that consideration may be at once given to a bill revising the Dingley Act. This should secure an adequate revenue and adjust the duties in such a manner as to afford to labor and to all industries in this country, whether of the farm, mine or factory, protection by tariff equal to the difference between the cost of production abroad and the cost of production here, and have a provision which shall put into force, upon executive determination of certain facts, a higher or maximum tariff against those countries whose trade policy toward us equitably requires such discrimination. It is thought that there has been such a change in conditions since the enactment of the Dingley Act, drafted on a similarly protective principle, that the measure of the tariff above stated will permit the reduction of rates in certain schedules and will require the advancement of few, if any.

The proposal to revise the tariff made in such an authoritative way as to lead the business community to count upon it necessarily halts all those branches of business directly affected; and as these are most important, it disturbs the whole business of the country. It is imperatively necessary, therefore, that a tariff bill be drawn in good faith in accordance with promises made before the election by the party in power, and as promptly passed as due consideration will permit. It is not that the tariff is more important in the long run than the perfecting of the reforms in respect to antitrust legislation and interstate commerce regulation, but the need for action when the revision of the tariff has been determined upon is more immediate to avoid embarrassment of business. To secure the needed speed in the passage of the tariff bill, it would seem wise to attempt no other legislation at the extra session. I venture this as a suggestion only, for the course to be taken by Congress, upon the call of the Executive, is wholly within its discretion.

In the making of a tariff bill the prime motive is taxation and the securing thereby of a revenue. Due largely to the business depression which followed the financial panic of 1907, the revenue from customs and other sources has decreased to such an extent that the expenditures for the current fiscal year will exceed the receipts by $100,000,000. It is imperative that such a deficit shall not continue, and the framers of the tariff bill must, of course, have in mind the total revenues likely to be produced by it and so arrange the duties as to secure an adequate income. Should it be impossible to do so by import duties, new kinds of taxation must be adopted, and among these I recommend a graduated inheritance tax as correct in principle and as certain and easy of collection.

The obligation on the part of those responsible for the expenditures made to carry on the Government, to be as economical as possible, and to make the burden of taxation as light as possible, is plain, and should be affirmed in every declaration of government policy. This is especially true when we are face to face with a heavy deficit. But when the desire to win the popular approval leads to the cutting off of expenditures really needed to make the Government effective and to enable it to accomplish its proper objects, the result is as much to be condemned as the waste of government funds in unnecessary expenditure. The scope of a modern government in what it can and ought to accomplish for its people has been widened far beyond the principles laid down by the old "laissez faire" school of political writers, and this widening has met popular approval.

In the Department of Agriculture the use of scientific experiments on a large scale and the spread of information derived from them for the improvement of general agriculture must go on.

The importance of supervising business of great railways and industrial combinations and the necessary investigation and prosecution of unlawful business methods are another necessary tax upon Government which did not exist half a century ago.

The putting into force of laws which shall secure the conservation of our resources, so far as they may be within the jurisdiction of the Federal Government, including the most important work of saving and restoring our forests and the great improvement of waterways, are all proper government functions which must involve large expenditure if properly performed. While some of them, like the reclamation of arid lands, are made to pay for themselves, others are of such an indirect benefit that this cannot be expected of them. A permanent improvement, like the Panama Canal, should be treated as a distinct enterprise, and should be paid for by the proceeds of bonds, the issue of which will distribute its cost between the present and future generations in accordance with the benefits derived. It may well be submitted to the serious consideration of Congress whether the deepening and control of the channel of a great river system, like that of the Ohio or of the Mississippi, when definite and practical plans for the enterprise have been approved and determined upon, should not be provided for in the same way.

Then, too, there are expenditures of Government absolutely necessary if our country is to maintain its proper place among the nations of the world, and is to exercise its proper influence in defense of its own trade interests in the maintenance of traditional American policy against the colonization of European monarchies in this hemisphere, and in the promotion of peace and international morality. I refer to the cost of maintaining a proper army, a proper navy, and suitable fortifications upon the mainland of the United States and in its dependencies.

We should have an army so organized and so officered as to be capable in time of emergency, in cooperation with the national militia and under the provisions of a proper national volunteer law, rapidly to expand into a force sufficient to resist all probable invasion from abroad and to furnish a respectable expeditionary force if necessary in the maintenance of our traditional American policy which bears the name of President Monroe.

Our fortifications are yet in a state of only partial completeness, and the number of men to man them is insufficient. In a few years however, the usual annual appropriations for our coast defenses, both on the mainland and in the dependencies, will make them sufficient to resist all direct attack, and by that time we may hope that the men to man them will be provided as a necessary adjunct. The distance of our shores from Europe and Asia of course reduces the necessity for maintaining under arms a great army, but it does not take away the requirement of mere prudence—that we should have an army sufficiently large and so constituted as to form a nucleus out of which a suitable force can quickly grow.

What has been said of the army may be affirmed in even a more emphatic way of the navy. A modern navy can not be improvised. It must be built and in existence when the emergency arises which calls for its use and operation. My distinguished predecessor has in many speeches and messages set out with great force and striking language the necessity for maintaining a strong navy commensurate with the coast line, the governmental resources, and the foreign trade of our Nation; and I wish to reiterate all the reasons which he has presented in favor of the policy of maintaining a strong navy as the best conservator of our peace with other nations, and the best means of securing respect for the assertion of our rights, the defense of our interests, and the exercise of our influence in international matters.

Our international policy is always to promote peace. We shall enter into any war with a full consciousness of the awful consequences that it always entails, whether successful or not, and we, of course, shall make every effort consistent with national honor and the highest national interest to avoid a resort to arms. We favor every instrumentality, like that of the Hague Tribunal and arbitration treaties made with a view to its use in all international controversies, in order to maintain peace and to avoid war. But we should be blind to existing conditions and should allow ourselves to become foolish idealists if we did not realize that, with all the nations of the world armed and prepared for war, we must be ourselves in a similar condition, in order to prevent other nations from taking advantage of us and of our inability to defend our interests and assert our rights with a strong hand.

In the international controversies that are likely to arise in the Orient growing out of the question of the open door and other issues the United States can maintain her interests intact and can secure respect for her just demands. She will not be able to do so, however, if it is understood that she never intends to back up her assertion of right and her defense of her interest by anything but mere verbal protest and diplomatic note. For these reasons the expenses of the army and navy and of coast defenses should always be considered as something which the Government must pay for, and they should not be cut off through mere consideration of economy. Our Government is able to afford a suitable army and a suitable navy. It may maintain them without the slightest danger to the Republic or the cause of free institutions, and fear of additional taxation ought not to change a proper policy in this regard.

The policy of the United States in the Spanish war and since has given it a position of influence among the nations that it never had before, and should be constantly exerted to securing to its bona fide citizens, whether native or naturalized, respect for them as such in foreign countries. We should make every effort to prevent humiliating and degrading prohibition against any of our citizens wishing temporarily to sojourn in foreign countries because of race or religion.

The admission of Asiatic immigrants who cannot be amalgamated with our population has been made the subject either of prohibitory clauses in our treaties and statutes or of strict administrative regulation secured by diplomatic negotiation. I sincerely hope that we may continue to minimize the evils likely to arise from such immigration without unnecessary friction and by mutual concessions between self-respecting governments. Meantime we must take every precaution to prevent, or failing that, to punish outbursts of race feeling among our people against foreigners of whatever nationality who have by our grant a treaty right to pursue lawful business here and to be protected against lawless assault or injury.

This leads me to point out a serious defect in the present federal jurisdiction, which ought to be remedied at once. Having assured to other countries by treaty the protection of our laws for such of their subjects or citizens as we permit to come within our jurisdiction, we now leave to a state or a city, not under the control of the Federal Government, the duty of performing our international obligations in this respect. By proper legislation we may, and ought to, place in the hands of the Federal Executive the means of enforcing the treaty rights of such aliens in the courts of the Federal Government. It puts our Government in a pusillanimous position to make definite engagements to protect aliens and then to excuse the failure to perform those engagements by an explanation that the duty to keep them is in States or cities, not within our control. If we would promise we must put ourselves in a position to perform our promise. We cannot permit the possible failure of justice, due to local prejudice in any State or municipal government, to expose us to the risk of a war which might be avoided if federal jurisdiction was asserted by suitable legislation by Congress and carried out by proper proceedings instituted by the Executive in the courts of the National Government.

One of the reforms to be carried out during the incoming administration is a change of our monetary and banking laws, so as to secure greater elasticity in the forms of currency available for trade and to prevent the limitations of law from operating to increase the embarrassment of a financial panic. The monetary commission, lately appointed, is giving full consideration to existing conditions and to all proposed remedies, and will doubtless suggest one that will meet the requirements of business and of public interest.

We may hope that the report will embody neither the narrow view of those who believe that the sole purpose of the new system should be to secure a large return on banking capital or of those who would have greater expansion of currency with little regard to provisions for its immediate redemption or ultimate security. There is no subject of economic discussion so intricate and so likely to evoke differing views and dogmatic statements as this one. The commission, in studying the general influence of currency on business and of business on currency, have wisely extended their investigations in European banking and monetary methods. The information that they have derived from such experts as they have found abroad will undoubtedly be found helpful in the solution of the difficult problem they have in hand.

The incoming Congress should promptly fulfill the promise of the Republican platform and pass a proper postal savings bank bill. It will not be unwise or excessive paternalism. The promise to repay by the

Government will furnish an inducement to savings deposits which private enterprise can not supply and at such a low rate of interest as not to withdraw custom from existing banks. It will substantially increase the funds available for investment as capital in useful enterprises. It will furnish absolute security which makes the proposed scheme of government guaranty of deposits so alluring, without its pernicious results.

I sincerely hope that the incoming Congress will be alive, as it should be, to the importance of our foreign trade and of encouraging it in every way feasible. The possibility of increasing this trade in the Orient, in the Philippines, and in South America are known to everyone who has given the matter attention. The direct effect of free trade between this country and the Philippines will be marked upon our sales of cottons, agricultural machinery, and other manufactures. The necessity of the establishment of direct lines of steamers between North and South America has been brought to the attention of Congress by my predecessor and by Mr. Root before and after his noteworthy visit to that continent, and I sincerely hope that Congress may be induced to see the wisdom of a tentative effort to establish such lines by the use of mail subsidies.

The importance of the part which the Departments of Agriculture and of Commerce and Labor may play in ridding the markets of Europe of prohibitions and discriminations against the importation of our products is fully understood, and it is hoped that the use of the maximum and minimum feature of our tariff law to be soon passed will be effective to remove many of those restrictions.

The Panama Canal will have a most important bearing upon the trade between the eastern and the far western sections of our country, and will greatly increase the facilities for transportation between the eastern and the western seaboard, and may possibly revolutionize the transcontinental rates with respect to bulky merchandise. It will also have a most beneficial effect to increase the trade between the eastern seaboard of the United States and the western coast of South America, and, indeed, with some of the important ports on the east coast of South America reached by rail from the west coast.

The work on the canal is making most satisfactory progress. The type of the canal as a lock canal was fixed by Congress after a full consideration of the conflicting reports of the majority and minority of the consulting board, and after the recommendation of the War Department and the Executive upon those reports. Recent suggestion that something had occurred on the Isthmus to make the lock type of the canal less feasible than it was supposed to be when the reports were made and the policy determined on led to a visit to the Isthmus of a board of competent engineers to examine the Gatun dam and locks, which are the key of the lock type. The report of that board shows nothing has occurred in the nature of newly revealed evidence which should change the views once formed in the original discussion. The construction will go on under a most effective organization controlled by Colonel Goethals and his fellow army engineers associated with him, and will certainly be completed early in the next administration, if not before.

Some type of canal must be constructed. The lock type has been selected. We are all in favor of having it built as promptly as possible. We must not now, therefore, keep up a fire in the rear of the agents whom we have authorized to do our work on the Isthmus. We must hold up their hands, and speaking for the incoming administration I wish to say that I propose to devote all the energy possible and under my control to pushing of this work on the plans which have been adopted, and to stand behind the men who are doing faithful, hard work to bring about the early completion of this, the greatest constructive enterprise of modern times.

The governments of our dependencies in Porto Rico and the Philippines are progressing as favorably as could be desired. The prosperity of Porto Rico continues unabated. The business conditions in the Philippines are not all that we could wish them to be, but with the passage of the new tariff bill permitting free trade between the United States and the archipelago, with such limitations on sugar and tobacco as shall prevent injury to domestic interests in those products, we can count on an improvement in business conditions in the Philippines and the development of a mutually profitable trade between this country and the islands. Meantime our Government in each dependency is upholding the traditions of civil liberty and increasing popular control which might be expected under American auspices. The work which we are doing there redounds to our credit as a nation.

I look forward with hope to increasing the already good feeling between the South and the other sections of the country. My chief purpose is not to effect a change in the electoral vote of the Southern States. That is a secondary consideration. What I look forward to is an increase in the tolerance of political views of all kinds and their advocacy throughout the South, and the existence of a respectable political opposition in every State; even more than this, to an increased feeling on the part of all the people in the South that this Government is their Government, and that its officers in their states are their officers.

The consideration of this question can not, however, be complete and full without reference to the negro race, its progress and its present condition. The thirteenth amendment secured them freedom; the fourteenth amendment due process of law, protection of property, and the pursuit of happiness; and the fifteenth amendment attempted to secure the negro against any deprivation of the privilege to vote because he was a negro. The thirteenth and fourteenth amendments have been generally enforced and have secured the objects for which they are intended. While the fifteenth amendment has not been generally observed in the past, it ought to be observed, and the tendency of Southern legislation today is toward the enactment of electoral qualifications which shall square with that amendment. Of course, the mere adoption of a constitutional law is only one step in the right direction. It must be fairly and justly enforced as well. In time both will come. Hence it is clear to all that the domination of an ignorant, irresponsible element can be prevented by constitutional laws which shall exclude from voting both negroes and whites not having education or other qualifications thought to be necessary for a proper electorate. The danger of the control of an ignorant electorate has therefore passed. With this change, the interest which many of the Southern white citizens take in the welfare of the negroes has increased. The colored men must base their hope on the results of their own industry, self-restraint, thrift, and business success, as well as upon the aid and comfort and sympathy which they may receive from their white neighbors of the South.

There was a time when Northerners who sympathized with the negro in his necessary struggle for better conditions sought to give him the suffrage as a protection to enforce its exercise against the prevailing sentiment of the South. The movement proved to be a failure. What remains is the fifteenth amendment to the Constitution and the right to have statutes of States specifying qualifications for electors subjected to the test of compliance with that amendment. This is a great protection to the negro. It never will be repealed, and it never ought to be repealed. If it had not passed, it might be difficult now to adopt it; but with it in our fundamental law, the policy of Southern legislation must and will tend to obey it, and so long as the statutes of the States meet the test of this amendment and are not otherwise in conflict with the Constitution and laws of the United States, it is not the disposition or within the province of the Federal Government to interfere with the regulation by Southern States of their domestic affairs. There is in the South a stronger feeling than ever among the intelligent well-to-do, and influential element in favor of the industrial education of the negro and the encouragement of the race to make themselves useful members of the community. The progress which the negro has made in the last fifty years, from slavery, when its statistics are reviewed, is marvelous, and it furnishes every reason to hope that in the next twenty-five years a still greater improvement in his condition as a productive member of society, on the farm, and in the shop, and in other occupations may come.

The negroes are now Americans. Their ancestors came here years ago against their will, and this is their only country and their only flag. They have shown themselves anxious to live for it and to die for it. Encountering the race feeling against them, subjected at times to cruel injustice growing out of it, they may well have our profound sympathy and aid in the struggle they are making. We are charged with the sacred duty of making their path as smooth and easy as we can. Any recognition of their distinguished men, any appointment to office from among their number, is properly taken as an encouragement and an appreciation of their progress, and this just policy should be pursued when suitable occasion offers.

But it may well admit of doubt whether, in the case of any race, an appointment of one of their number to a local office in a community in which the race feeling is so widespread and acute as to interfere with the ease and facility with which the local government business can be done by the appointee is of sufficient benefit by way of encouragement to the race to outweigh the recurrence and increase of race feeling which such an appointment is likely to engender. Therefore the Executive, in recognizing the negro race by appointments, must exercise a careful discretion not thereby to do it more harm than good. On the other hand, we must be careful not to encourage the mere pretense of race feeling manufactured in the interest of individual political ambition.

Personally, I have not the slightest race prejudice or feeling, and recognition of its existence only awakens in my heart a deeper sympathy for those who have to bear it or suffer from it, and I question the wisdom of a policy which is likely to increase it. Meantime, if nothing is done to prevent it, a better feeling between the negroes and the whites in the South will continue to grow, and more and more of the white people will come to realize that the future of the South is to be much benefitted by the industrial and intellectual progress of the negro. The exercise of political franchises by those of this race who are intelligent and well to do will be acquiesced in, and the right to vote will be withheld only from the ignorant and irresponsible of both races.

There is one other matter to which I shall refer. It was made the subject of great controversy during the election and calls for at least a passing reference now. My distinguished predecessor has given much attention to the cause of labor, with whose struggle for better things he has shown the sincerest sympathy. At his instance Congress has passed the bill fixing the liability of interstate carriers to their employees for injury sustained in the course of employment, abolishing the rule of fellow-servant and the common-law rule as to contributory negligence, and substituting therefor the so-called rule of "comparative negligence." It has also passed a law fixing the compensation of government employees for injuries sustained in the employ of the Government through the negligence of the superior. It has also passed a model child-labor law for the District of Columbia. In previous administrations an arbitration law for interstate commerce railroads and their employees, and laws for the application of safety devices to save the lives and limbs of employees of interstate railroads had been passed. Additional legislation of this kind was passed by the outgoing Congress.

I wish to say that in so far as I can I hope to promote the enactment of further legislation of this character. I am strongly convinced that the Government should make itself as responsible to employees injured in its employ as an interstate-railway corporation is made responsible by federal law to its employees; and I shall be glad, whenever any additional reasonable safety device can be invented to reduce the loss of life and limb among railway employees, to urge Congress to require its adoption by interstate railways.

Another labor question has arisen which has awakened the most excited discussion. That is in respect to the power of the federal courts to issue injunctions in industrial disputes. As to that, my convictions are fixed. Take away from the courts, if it could be taken away, the power to issue injunctions in labor disputes, and it would create a privileged class among the laborers and save the lawless among their number from a most needful remedy available to all men for the protection of their business against lawless invasion. The proposition that business is not a property or pecuniary right which can be protected by equitable injunction is utterly without foundation in precedent or reason. The proposition is usually linked with one to make the secondary boycott lawful. Such a proposition is at variance with the American instinct, and will find no support, in my judgment, when submitted to the American people. The secondary boycott is an instrument of tyranny, and ought not to be made legitimate.

The issue of a temporary restraining order without notice has in several instances been abused by its inconsiderate exercise, and to remedy this the platform upon which I was elected recommends the formulation in a statute of the conditions under which such a temporary restraining order ought to issue. A statute can and ought to be framed to embody the best modern practice, and can bring the subject so closely to the attention of the court as to make abuses of the process unlikely in the future. The American people, if I understand them, insist that the authority of the courts shall be sustained, and are opposed to any change in the procedure by which the powers of a court may be weakened and the fearless and effective administration of justice be interfered with.

Having thus reviewed the questions likely to recur during my administration, and having expressed in a summary way the position which I expect to take in recommendations to Congress and in my conduct as an Executive, I invoke the considerate sympathy and support of my fellow-citizens and the aid of the Almighty God in the discharge of my responsible duties.

EXTRA SESSION MESSAGE

THE WHITE HOUSE, *March 16, 1909.*

To the Senate and House of Representatives:

I have convened the Congress in this extra session in order to enable it to give immediate consideration to the revision of the Dingley tariff act. Conditions affecting production, manufacture, and business generally have so changed in the last twelve years as to require a readjustment and revision of the import duties imposed by that act. More than this, the present tariff act, with the other sources of government revenue, does not furnish income enough to pay the authorized expenditures. By July 1 next the excess of expenses over receipts for the current fiscal year will equal $100,000,000.

The successful party in the late election is pledged to a revision of the tariff. The country, and the business community especially, expect it. The prospect of a change in the rates of import duties always causes a suspension or halt in business because of the uncertainty as to the changes to be made and their effect. It is therefore of the highest importance that the new bill should be agreed upon and passed with as much speed as possible consistent with its due and thorough consideration. For these reasons, I have deemed the present to be an extraordinary occasion within the meaning of the Constitution, justifying and requiring the calling of an extra session.

In my inaugural address I stated in a summary way the principles upon which, in my judgment, the revision of the tariff should proceed, and indicated at least one new source of revenue that might be properly resorted to in order to avoid a future deficit. It is not necessary for me to repeat what I then said.

I venture to suggest that the vital business interests of the country require that the attention of the Congress in this session be chiefly devoted to the consideration of the new tariff bill, and that the less time given to other subjects of legislation in this session, the better for the country.

WILLIAM H. TAFT.

SPECIAL MESSAGE

THE WHITE HOUSE, *April 14, 1909*.

To the Senate and House of Representatives:

I transmit herewith a communication from the Secretary of War, inclosing one from the Chief of the Bureau of Insular Affairs, in which is transmitted a proposed tariff revision law for the Philippine Islands.

This measure revises the present Philippine tariff, simplifies it, and makes it conform as nearly as possible to the regulations of the customs laws of the United States, especially with respect to packing and packages. The present Philippine regulations have been cumbersome and difficult for American merchants and exporters to comply with. Its purpose is to meet the new conditions that will arise under the section of the pending United States tariff bill which provides, with certain limitations, for free trade between the United States and the islands. It is drawn with a view to preserving to the islands as much customs revenue as possible, and to protect in a reasonable measure those industries which now exist in the islands.

The bill now transmitted has been drawn by a board of tariff experts, of which the insular collector of customs, Col. George R. Colton, was the president. The board held a great many open meetings in Manila, and conferred fully with representatives of all business interests in the Philippine Islands. It is of great importance to the welfare of the islands that the bill should be passed at the same time with the pending Payne bill, with special reference to the provisions of which it was prepared.

I respectfully recommend that this bill be enacted at the present session of Congress as one incidental to and required by the passage of the Payne bill.

WILLIAM H. TAFT.

THE WHITE HOUSE, *April 20, 1909*.

To the Senate:

I transmit herewith, for the information of the Senate in connection with the Senate's resolution of February 26, 1908, a report by the Secretary of State, with accompanying papers, showing the settlement of the controversies which existed with the Government of Venezuela with respect to the claims against that Government of the Orinoco Steamship Company; of the Orinoco Corporation and of its predecessors in interest, The Manoa Company (Limited), The Orinoco

Company, and The Orinoco Company (Limited); of the United States and Venezuela Company, also known as the Crichfield claim; of A. F. Jaurett; and of the New York and Bermudez Company.

WILLIAM H. TAFT.

[NOTE: This Message was accompanied by a letter from the Secretary of State, transmitting to the President a protocol of agreement between the United States and Venezuela, providing that the views on these claims entertained by the two countries being so diametrically opposed, they are bound by their treaties to submit the questions involved to the Hague Tribunal, the cases to be filed before October 13, 1909, counter cases to follow within four months thereafter, and, if necessary, argument before the arbitral tribunal may take place through representatives within sixty days after the date before which the counter cases must be filed.]

THE WHITE HOUSE, *May 10, 1909.*

To the Senate and House of Representatives:

An emergency has arisen in Porto Rico which makes it necessary for me to invite the attention of the Congress to the affairs of that island, and to recommend legislation at the present extra session amending the act under which the island is governed.

The regular session of the legislative assembly of Porto Rico adjourned March 11 last without passing the usual appropriation bills. A special session of the assembly was at once convened by the governor, but after three days, on March 16, it again adjourned without making the appropriations. This leaves the island government without provision for its support after June 30 next. The situation presented is, therefore, of unusual gravity.

The present government of Porto Rico was established by what is known as the Foraker Act, passed April 12, 1900, and taking effect May 1, 1900. Under that act the chief executive is a governor appointed by the President and confirmed by the Senate. A secretary, attorney-general, treasurer, auditor, commissioner of the interior, and commissioner of education, together with five other appointees of the President, constitute the executive council. The executive council must have in its membership not less than five native Porto Ricans. The legislative power is vested in the legislative assembly, which has two coordinate branches. The first of these is the executive council just described, and the second is the house of delegates, a popular and representative body, with members elected by the qualified electors of the seven districts into which the island is divided.

The statute directing how the expenses of government are to be provided leaves some doubt whether this function is not committed solely to the executive council, but in practice the legislative assembly has made appropriations for all the expenses other than for salaries fixed by Congress, and it is too late to reverse that construction.

Ever since the institution of the present assembly, the house of delegates has uniformly held up the appropriation bills until the last minute of the regular session, and has sought to use the power to do so as a means of compelling the concurrence of the executive council in legislation which the house desired.

In the last regular legislative assembly, the house of delegates passed a bill dividing the island into several counties and providing county governments; a bill to establish manual training schools; a bill for the establishment of an agricultural bank; a bill providing that vacancies in the offices of mayors and councilmen be filled by a vote of the municipal councils instead of by the governor, and a bill putting in the control of the largest taxpayers in each municipal district the selection in great part of the assessors of property.

The executive council declined to concur in these bills. It objected to the agricultural bank bill on the ground that the revenues of the island were not sufficient to carry out the plan proposed, and to the manual training school bill because in plain violation of the Foraker Act. It objected to the change in the law concerning the appraisement of property on the ground that the law was intended to put too much power, in respect of the appraisement of property for taxation, in the hands of those having the most property to tax. The chief issue was a bill making all the judges in municipalities elective. Under previous legislation there are 26 municipal judges who are elected to office. By this bill it was proposed to increase the elective judges from 26 to 66 in number, and at the same time to abolish the justices of the peace. The change was objected to on the ground that the election of municipal judges had already interfered with the efficient and impartial administration of justice, had made the judges all of one political faith and mere political instruments in the hands of the central committee of the Unionist or dominant party. The attitude of the executive council in refusing to pass these bills led the house of delegates to refuse to pass the necessary appropriation bills.

The facts recited demonstrate the willingness of the representatives of the people in the house of delegates to subvert the government in order to secure the passage of certain legislation. The question whether the proposed legislation should be enacted into law was left by the fundamental act to the joint action of the executive council and the house of delegates as the legislative assembly. The house of delegates proposes itself to secure this legislation without respect to the opposition of the executive council, or else to pull down the whole government. This spirit, which has been growing from year to year in Porto Rico, shows that too great power has been vested in the house of delegates and that its members are not sufficiently alive to their oath-taken responsibility, for the maintenance of the government, to justify Congress in further reposing in them absolute power to withhold appropriations necessary for the government's life.

For these reasons I recommend an amendment to the Foraker Act providing that whenever the legislative assembly shall adjourn without making the appropriations necessary to carry on the government, sums equal to the appropriations made in the previous year for the respective purposes shall be available from the current revenues and shall be drawn by the warrant of the auditor on the treasurer and countersigned by the governor. Such a provision applies to the legislatures of the Philippines and Hawaii, and it has prevented in those two countries any misuse of the power of appropriation.

The house of delegates sent a committee of three to Washington, while the executive council was represented by the secretary and a committee consisting of the attorney-general and the auditor. I referred both committees to the Secretary of the Interior, whose report, with a letter from Governor Post, and the written statements of both committees, accompany this message.

I have had one personal interview with the committee representing the house of delegates and suggested to them that if the house of delegates would pass the appropriation bill without insisting upon the passage of the other bills by the executive council, I would send a representative of the Government to Porto Rico to make an investigation and report in respect to the proposed legislation. Their answer, which shows them not to be in a compromising mood, was as follows:

> "If the legislative assembly of Porto Rico would be called to an extraordinary session exclusively to pass an appropriation bill, taking into consideration the state of affairs down the island and the high dissatisfaction produced by the intolerant attitude of the executive council, and also taking into consideration the absolute resistance of the house to do any act against its own dignity and the dignity of the country, it is the opinion of these commissioners that no agreement would be attained unless the council feel disposed to accept the amendments of the house of delegates.
>
> "However, if in the proclamation calling for an extraordinary session the judicial and municipal reforms would be mentioned, and if the executive council would accept that the present justices of the peace be abolished and municipal judges created in every municipality, and that vacancies occurring in mayorships and judgeships be filled by the municipal councils, as provided in the so-called "municipal bills" passed by the house in its last session, then the commissioners

believe that the appropriation bills will be passed in the house as introduced in the council without delay."

Porto Rico has been the favored daughter of the United States. The sovereignty of the island in 1899 passed to the United States with the full consent of the people of the island.

Under the law all the customs and internal-revenue taxes are turned into the treasury of Porto Rico for the maintenance of the island government, while the United States pays out of its own Treasury the cost of the local army—i. e., a full Porto Rican regiment—the revenue vessels, the light-house service, the coast surveys, the harbor improvements, the marine-hospital support, the post-office deficit, the weather bureau, and the upkeep of the agricultural experiment stations.

Very soon after the change of sovereignty a cyclone destroyed a large part of Porto Rican coffee culture; $200,000 was expended from the United States Treasury to buy rations for those left in distress. The island is policed by 700 men, and complete tranquillity reigns.

Before American control 87 per cent of the Porto Ricans were unable to read or write, and there was not in this island, containing a million people, a single building constructed for public instruction, while the enrollment of pupils in such schools as there were, 551 in number, was but 21,000. To-day in the island there are 160 such buildings, and the enrollment of pupils in 2,400 schools has reached the number of 87,000. The year before American sovereignty there was expended $35,000 in gold for public education. Under the present government there is expended for this purpose a total of a million dollars a year.

When the Americans took control there were 172 miles of macadamized road. Since then there have been constructed 452 miles more, mostly in the mountains, making in all now a total of 624 miles of finely planned and admirably constructed macadamized roads—as good roads as there are in the world.

In the course of the administration of this island, the United States medical authorities discovered a disease of tropical anæmia which was epidemic and was produced by a microbe called the "hook worm." It so much impaired the energy of those who suffered from it, and so often led to complete prostration and death, that it became necessary to undertake its cure by widespread governmental effort. I am glad to say that 225,000 natives, or one-fourth of the entire population, have been treated at government expense, and the effect has been much to reduce the extent and severity of the disease and to bring it under control. Substantially every person in the island has been vaccinated and smallpox has practically disappeared.

There is complete free trade between Porto Rico and the United

States, and all customs duties collected in the United States on Porto Rican products subsequent to the date of Spanish evacuation, amounting to nearly $3,000,000, have been refunded to the island treasury. The loss to the revenues of the United States from the free admission of Porto Rican products is $15,000,000 annually. The wealth of the island is directly dependent upon the cultivation of the soil, to cane, tobacco, coffee, and fruit, for which we in America provide the market. Without our fostering benevolence the business of Porto Rico would be as prostrate as are some of the neighboring West Indian islands. Before American control the trade balance against the island was over $12,500,000, while the present balance of trade in favor of the island is $2,500,000. The total of exports and imports has increased from about $22,000,000 before American sovereignty to $56,000,000 at the present day. At the date of the American occupation the estimated value of all agricultural land was about $30,000,000. Now the appraised value of the real property in the island reaches $100,000,000. The expenses of government before American control were $2,969,000, while the receipts were $3,644,000. For the year 1906 the receipts were $4,250,000, and the expenditures were $4,084,000. Of the civil servants in the central government, 343 are Americans and 2,548 are native Porto Ricans. There never was a time in the history of the island when the average prosperity of the Porto Rican has been higher, when his opportunity has been greater, when his liberty of thought and action was more secure.

Representatives of the house of delegates insist in their appeals to Congress and to the public that from the standpoint of a free people the Porto Ricans are now subjected under American control to political oppression and to a much less liberal government than under that of Spain. To prove this they refer to the provisions of a royal decree of 1897, promulgated in November of that year. The decree related to the government of Porto Rico and Cuba and was undoubtedly a great step forward in granting a certain sort of autonomy to the people of the two islands. The war followed within a few months after its promulgation, and it is impossible to say what its practical operation would have been. It was a tentative arrangement, revocable at the pleasure of the Crown, and had, in its provisions, authority for the governor-general to suspend all of the laws of the legislature of the islands until approved or disapproved at home, and to suspend at will all constitutional guaranties of life, liberty, and property, supposed to be the basis of civil liberty and free institutions. The insular legislature had no power to enact new laws or to amend existing laws governing property rights or the life and liberty of the people. The jurisdiction to pass these remained in the hands of the National Cortes and included the mass of code laws governing the descent and distribution and transfer of property and contracts, and torts, land laws, notarial laws, laws of waters and mines, penal statutes, civil, criminal, and administrative procedure, organic laws of the municipalities, election laws, the code of commerce, etc.

In contrast with this, under its present form of government the island legislature possesses practically all the powers of an American commonwealth, and the constitutional guaranties of its inhabitants, instead of being subject to suspension by executive discretion, are absolutely guaranteed by act of Congress. The great body of substantive law now in force in the island—political, civil, and criminal code, codes of political, civil, and criminal procedure, the revenue, municipal, electoral, franchise, educational, police, and public works laws, and the like—has been enacted by the people of the island themselves, as no law can be put upon the statute books unless it has received the approval of the representative lower house of the legislature. In no single case has the Congress of the United States intervened to annul or control acts of the legislative assembly. For the first time in the history of Porto Rico the island is living under laws enacted by its own legislature.

It is idle, however, to compare political power of the Porto Ricans under the royal decree of 1897, when their capacity to exercise it with benefit to themselves was never in fact tested, with that which they have under the Foraker Act. The question we have before us is whether their course since the adoption of the Foraker Act does not show the necessity for withholding from them the absolute power given by that act to the legislative assembly over appropriations, when the house of delegates, as a coordinate branch of that assembly, shows itself willing and anxious to use such absolute power, not to support and maintain the government, but to render it helpless. If the Porto Ricans desire a change in the form of the Foraker Act, this is a matter for congressional consideration dependent on the effect of such a change on the real political progress in the island.

Such a change should be sought in an orderly way and not brought to the attention of Congress by paralyzing the arm of the existing government. I do not doubt that the terms of the existing fundamental act might be improved, certainly in qualifying some of its provisions as to the respective jurdisdictions of the executive council and the legislative assembly; and I suggest to Congress the wisdom of submitting to the appropriate committees this question of revision. But no action of this kind should be begun until after, by special amendment of the Foraker Act, the absolute power of appropriation is taken away from those who have shown themselves too irresponsible to enjoy it.

In the desire of certain of their leaders for political power Porto

Ricans have forgotten the generosity of the United States in its dealings with them. This should not be an occasion for surprise, nor in dealing with a whole people can it be made the basis of a charge of ingratitude. When we, with the consent of the people of Porto Rico, assumed guardianship over them and the guidance of their destinies, we must have been conscious that a people that had enjoyed so little opportunity for education could not be expected safely for themselves to exercise the full power of self-government; and the present development is only an indication that we have gone somewhat too fast in the extension of political power to them for their own good.

The change recommended may not immediately convince those controlling the house of delegates of the mistake they have made in the extremity to which they have been willing to resort for political purposes, but in the long run it will secure more careful and responsible exercise of the power they have.

There is not the slightest evidence that there has been on the part of the governor or of any member of the executive council a disposition to usurp authority, or to withhold approval of such legislation as was for the best interests of the island, or a lack of sympathy with the best aspirations of the Porto Rican people.

WILLIAM H. TAFT.

[NOTE: This Message was accompanied by a letter from the Secretary of the Interior, in which he stated that, the differences between the two branches of Government being fundamental and irreconcilable, he would recommend that a person be commissioned to visit the island and investigate the fitness of the people for exercising a more popular form of government. He also recommended that the organic act of Porto Rico be changed so that, as in the Philippine and Hawaiian Islands, when a deadlock occurs and the State is threatened with paralysis, an appropriation equal to the last preceding appropriation shall automatically issue for the maintenance of government until the legislature shall have acted.

Other accompanying papers (statements by Governor Regis H. Post and the representatives of the Council and the Legislature) set forth the facts as given in full by the President.]

THE WHITE HOUSE, *May 28, 1909.*

To the Senate:

In response to the resolution of the Senate dated May 25, 1909, requesting the President, if not incompatible in his judgment with the public interest, to transmit to the Senate the statement of the German Government, or its officers, in relation to the wages paid to German workmen, for the use of the Senate in connection with its consideration of the pending tariff bill, I transmit herewith a letter from the Secretary of State stating that all the information on this subject which has been received from the German Government has been transmitted by the Department of State to the Committee on Finance of the Senate for use in the consideration of the pending tariff bill.

WILLIAM H. TAFT.

THE WHITE HOUSE, *May 28, 1909.*

To the Senate:

In further response to the resolution adopted by the Senate on the 25th instant, requesting the President, if not incompatible in his judgment with the public interests, to transmit to the Senate the statement of the German Government or its officers in relation to the wages paid to German workmen, I transmit herewith the documents furnished by the German Government on the subject, which this day were returned by the Committee on Finance of the Senate to the Department of State.

The attention of the Senate is invited to the statement in the accompanying report of the Acting Secretary of State that these documents were obtained upon the understanding that the names of manufacturers were to be held confidential and that the information furnished will not be made the basis of administrative action.

WILLIAM H. TAFT.

[NOTE: This Message was accompanied by a statement from the German Government controverting representations made to the Congressional Committees on Tariff Revision by interested American manufacturers regarding the cost of production and wages paid by German manufacturers of chemicals, pottery, glass, metals, jewelry, watches, sugar, cotton goods, textiles, worsted, carpets, wool, paper, printed articles, brushes, shoes, leather, matches, and ammunition. According to this German statement, the cost of production of their articles and the wages paid by them were grossly misrepresented.]

SPECIAL MESSAGE

THE WHITE HOUSE, *June 5, 1909.*

To the Senate and House of Representatives:

I have the honor to transmit herewith a communication from the Acting Secretary of War, under date of May 8, submitting the report, with accompanying exhibits, of Hon. Charles E. Magoon, provisional governor of Cuba, for the period from December 1, 1908, to January 28, 1909, when the provisional government was terminated and the island again turned over to the Cubans. I recommend, in accordance with the suggestion of the Acting Secretary of War, that this report and the exhibits be printed.

I think it only proper to take this opportunity to say that the administration by Governor Magoon of the government of Cuba from 1906 to 1909 involved the disposition and settlement of many very difficult questions and required on his part the exercise of ability and tact of the highest order. It gives me much pleasure to note in this public record the credit due to Governor Magoon for his distinguished service.

The army of Cuban pacification under Major-General Barry was of the utmost assistance in the preservation of the peace of the island and the maintenance of law and order, without the slightest friction with the inhabitants of the island, although the army was widely distributed through the six provinces and came into close contact with the people.

The administration of Governor Magoon and the laws recommended by the advisory commission, with Colonel Crowder, of the Judge-Advocate-General's Corps at its head, and put into force by the governor, have greatly facilitated the progress of good government in Cuba. At a fair election held under the advisory commission's new election law, General Gomez was chosen President and he has begun his administration under good auspices. I am glad to express the hope that the new government will grow in strength and self-sustaining capacity under the provisions of the Cuban constitution.

WILLIAM H. TAFT.

THE WHITE HOUSE, *June 16, 1909.*

To the Senate and House of Representatives:

It is the constitutional duty of the President from time to time to recommend to the consideration of Congress such measures as he shall judge necessary and expedient. In my inaugural address, immediately preceding this present extraordinary session of Congress, I invited attention to the necessity for a revision of the tariff at this session, and stated the principles upon which I thought the revision should be effected. I referred to the then rapidly increasing deficit, and pointed out the obligation on the part of the framers of the tariff bill to arrange the duty so as to secure an adequate income, and suggested that if it was not possible to do so by import duties, new kinds of taxation must be adopted, and among them I recommended a graduated inheritance tax as correct in principle and as certain and easy of collection. The House of Representatives has adopted the suggestion and has provided in the bill it passed for the collection of such a tax. In the Senate the action of its Finance Committee and the course of the debate indicate that it may not agree to this provision, and it is now proposed to make up the deficit by the imposition of a general income tax, in form and substance of almost exactly the same character as that which in the case of Pollock *v.* Farmers' Loan and Trust Company (157 U. S., 429) was held by the Supreme Court to be a direct tax, and therefore not within the power of the Federal Government to impose unless apportioned among the several States according to population. This new proposal, which I did not discuss in my inaugural address or in my message at the opening of the present session, makes it appropriate for me to submit to the Congress certain additional recommendations.

The decision of the Supreme Court in the income-tax cases deprived the National Government of a power which, by reason of previous decisions of the court, it was generally supposed that Government had. It is undoubtedly a power the National Government ought to have. It might be indispensable to the nation's life in great crises. Although I have not considered a constitutional amendment as necessary to the exercise of certain phases of this power, a mature consideration has satisfied me that an amendment is the only proper course for its establishment to its full extent. I therefore recommend to the Congress that both Houses, by a two-thirds vote, shall propose an amendment to the Constitution conferring the power to levy an income tax upon the National Government without apportionment among the States in proportion to population.

This course is much to be preferred to the one proposed of reenacting a law once judicially declared to be unconstitutional. For the Congress to assume that the court will reverse itself, and to enact legislation on such an assumption, will not strengthen popular confidence in the stability of judicial construction of the Constitution. It is much wiser policy to accept the decision and remedy the defect by amendment in due and regular course.

Again, it is clear that by the enactment of the proposed law, the Congress will not be bringing money into the Treasury to meet the present deficiency, but by putting on the statute book a law already there and never repealed, will simply be suggesting to the executive officers of the Government their possible duty to invoke litigation. If the court should maintain its former view, no tax would be collected at all. If it should ultimately reverse itself, still no taxes would have been collected until after protracted delay.

It is said the difficulty and delay in securing the approval of three-fourths of the States will destroy all chance of adopting the amendment. Of course, no one can speak with certainty upon this point, but I have become convinced that a great majority of the people of this country are in favor of vesting the National Government with power to levy an income tax, and that they will secure the adoption of the amendment in the States, if proposed to them.

Second, the decision in the Pollock case left power in the National Government to levy an excise tax which accomplishes the same purpose as a corporation income tax, and is free from certain objections urged to the proposed income-tax measure.

I therefore recommend an amendment to the tariff bill imposing upon all corporations and joint stock companies for profit, except national banks (otherwise taxed), savings banks, and building and loan associations, an excise tax measured by 2 per cent. on the net income of such corporations. This is an excise tax upon the privilege of doing business as an artificial entity and of freedom from a general partnership liability enjoyed by those who own the stock.

I am informed that a 2 per cent. tax of this character would bring into the Treasury of the United States not less than $25,000,000.

The decision of the Supreme Court in the case of Spreckels Sugar Refining Company against McClain (192 U. S., 397) seems clearly to establish the principle that such a tax as this is an excise tax upon privilege and not a direct tax on property, and is within the federal power without apportionment according to population. The tax on net income is preferable to one proportionate to a percentage of the gross receipts, because it is a tax upon success and not failure. It imposes a burden at the source of the income at a time when the corporation is well able to pay and when collection is easy.

Another merit of this tax is the federal supervision which must be exercised in order to make the law effective over the annual accounts and business transactions of all corporations. While the faculty of assuming a corporate form has been of the utmost utility in the business world, it is also true that substantially all of the abuses and all of the evils which have aroused the public to the necessity of reform were made possible by the use of this very faculty. If now, by a perfectly legitimate and effective system of taxation we are incidentally able to possess the Government and the stockholders and the public of the knowledge of the real business transactions and the gains and profits of every corporation in the country, we have made a long step toward that supervisory control of corporations which may prevent a further abuse of power.

I recommend, then, first, the adoption of a joint resolution by two-thirds of both Houses proposing to the States an amendment to the Constitution granting to the Federal Government the right to levy and collect an income tax without apportionment among the States according to population, and, second, the enactment, as part of the pending revenue measure, either as a substitute for, or in addition to, the inheritance tax, of an excise tax upon all corporations measured by 2 per cent. of their net income.

WILLIAM H. TAFT.

BY THE PRESIDENT OF THE UNITED STATES OF AMERICA.

A THANKSGIVING PROCLAMATION.

1909

The season of the year has returned when, in accordance with the reverent custom established by our forefathers, the people of the United States are wont to meet in their usual places of worship on a day of thanksgiving appointed by the Civil Magistrate to return thanks to God for the great mercies and benefits which they have enjoyed.

During the past year we have been highly blessed. No great calamities of flood or tempest or epidemic of sickness have befallen us. We have lived in quietness, undisturbed by war or threats of war. Peace and plenty of bounteous crops and of great industrial production animate a cheerful and resolute people to all the renewed energies of beneficent industry and material and moral progress. It is altogether fitting that we should humbly and gratefully acknowledge the Divine source of these blessings.

Therefore, I hereby appoint Thursday, the twenty-fifth day of November, as a day of general thanksgiving, and I call upon the people on that day, laying aside their usual vocations, to repair to their churches and unite in appropriate services of praise and thanks to Almighty God.

In witness whereof, I have hereunto put my hand and caused the seal of the United States to be affixed.

Done at the city of Washington this fifteenth day of November, in the year of our Lord, one thousand nine hundred and nine, and of the Independence of the United States the one hundred and thirty-fourth.

[SEAL.]

WILLIAM H. TAFT.

By the President:

P. C. KNOX, *Secretary of State.*

THE WHITE HOUSE, *July 29, 1909.*

To the Senate and House of Representatives:

I transmit for the information of the Congress a report by the Secretary of State, with accompanying correspondence, touching the condition of affairs in the Kongo.

WILLIAM H. TAFT.

[NOTE: This Message was accompanied by a copy of correspondence between the United States and its foreign representatives in London, Belgium, and the Kongo Free State, showing the attitude of the United States and Great Britain toward annexation by Belgium of the Free State, and also showing the views expressed by British, Belgian, and American officials with regard to the condition of the natives and the character of trade prior to the annexation. With regard to the former three American consular officials, after tours of inspection at different times during 1907-8, reported in substance that "the tendency of this system is to brutalize rather than civilize"; that the natives were virtually enslaved by the State under the pretense of conscription as rubber-gatherers; that, having performed his conscript service, the native's bondage was indefinitely prolonged by means of taxes payable in rubber; and that factory labor was procured by underweighing tax-rubber and sentencing the alleged delinquent to jail. With regard to trade, they characterized the Government as a monopoly protected from competition in every conceivable way by the laws of the country. The profits obtained by its European owners were secret, but the evils inflicted upon the country and the inhumanities practised on the natives were all too evident.

The Belgian officials denied the existence of any conditions either as regards trade or as regards the natives which could be rightfully construed as violating the Berlin act whereby freedom of trade was decreed, slavery abolished, and measures provided for the protection of the native. The British officials expressed views concurrent with those of the American consuls. American acquiescence as to annexation was shown to be conditioned upon reform in the Kongo.]

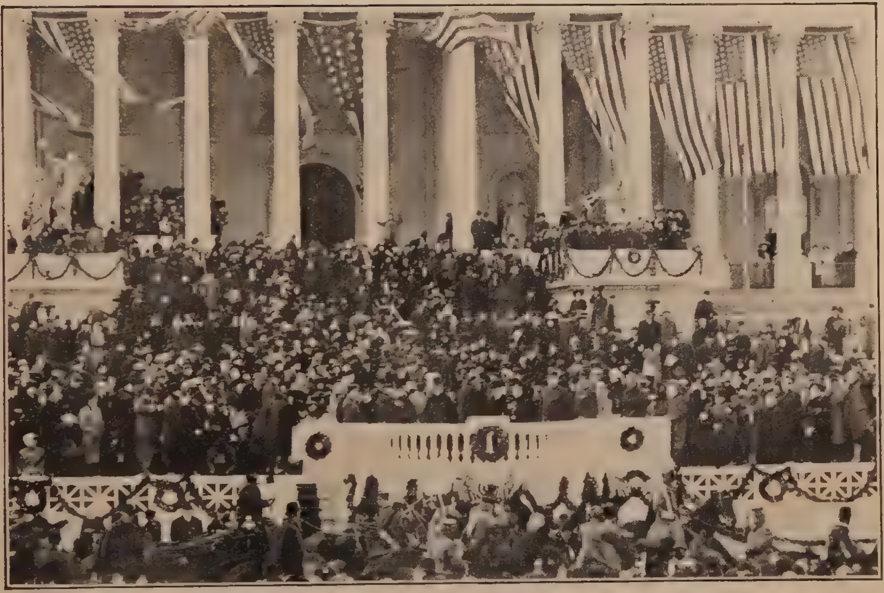
ADDRESS ON THE TARIFF LAW OF 1909.

BY PRESIDENT TAFT AT WINONA, MINN., SEPTEMBER 17, 1909.

MY FELLOW CITIZENS: As long ago as August, 1906, in the congressional campaign in Maine, I ventured to announce that I was a tariff revisionist and thought that the time had come for a readjustment of the schedules. I pointed out that it had been ten years prior to that time that the Dingley bill had been passed; that great changes had taken place in the conditions surrounding the productions of the farm, the factory, and the mine, and that under the theory of protection in that time the rates imposed in the Dingley bill in many instances might have become excessive; that is, might have been greater than the difference between the cost of production abroad and the cost of production at home with a sufficient allowance for a reasonable rate of profit to the American producer. I said that the party was divided on the issue, but that in my judgment the opinion of the party was crystallizing and would probably result in the near future in an effort to make such revision. I pointed out the difficulty that there always was in a revision of the tariff, due to the threatened disturbance of industries to be affected and the suspension of business, in a way which made it unwise to have too many revisions. In the summer of 1907 my position on the tariff was challenged, and I then entered into a somewhat fuller discussion of the matter. It was contended by the so-called "standpatters" that rates beyond the necessary measure of protection were not objectionable, because behind the tariff wall competition always reduced the prices, and thus saved the consumer. But I pointed out in that speech what seems to me as true to-day as it then was, that the danger of excessive rates was in the temptation they created to form monopolies in the protected articles, and thus to take advantage of the excessive rates by increasing the prices, and therefore, and in order to avoid such a danger, it was wise at regular intervals to examine the question of what the effect of the rates had been upon the industries in this country, and whether the conditions with respect to the cost of production here had so changed as to warrant a reduction in the tariff, and to make a lower rate truly protective of the industry.

It will be observed that the object of the revision under such a statement was not to destroy protected industries in this country, but it was to continue to protect them where lower rates offered a sufficient protection to prevent injury by foreign competition. That was the object of the revision as advocated by me, and it was certainly the object of the revision as promised in the Republican platform.

I want to make as clear as I can this proposition, because, in order to determine whether a bill is a compliance with the terms of that platform, it must be understood what the platform means. A free trader is opposed to any protected rate because he thinks that our manufacturers, our farmers, and our miners ought to withstand the competition of foreign manufacturers and miners and farmers, or else go out of business and find something else more profitable to do. Now, certainly the promises of the platform did not contemplate the downward revision of the tariff rates to such a point that any industry theretofore protected should be injured. Hence, those who contend that the promise of the platform was to reduce prices by letting in foreign competition are contending for a free trade, and not for anything that they had the right to infer from the Republican platform.



THE INAUGURATION OF WILLIAM H. TAFT

THE ADMINISTRATION OF PRESIDENT TAFT

President Taft's record as a procurer of legislation is excellent. Without much noise or bluster he has carried many important measures through an indifferent, if not hostile, Congress. Ever since the tariff session of 1909, his own party has lacked cohesion; the will of the majority party was constantly in danger of being defeated by a combination of its mutinous members with the minority. Under such circumstances no measure could win merely on the strength of its being a party measure. The compulsion of public opinion was always necessary to procure action. The President fostered and led public opinion with remarkable success, by means of utterances in which partisan politics was conspicuous by its absence. In the case of the reciprocity measure the voting seems hardly to have been influenced by party considerations, Democrats having worked earnestly for its success, even though a Republican measure. The character of the President is esteemed by all sections and all parties, mainly because he has held the nation's welfare to be a worthier object of labor than personal and party success.

The Taft Administration is discussed, and its achievements recorded, in the article entitled "Taft, William H., Administration of," in the index (volume eleven), after which will be found citations of his official utterances on the leading topics of the day.

The Ways and Means Committee of the House, with Mr. Payne at its head, spent a full year in an investigation, assembling evidence in reference to the rates under the tariff, and devoted an immense amount of work in the study of the question where the tariff rates could be reduced and where they ought to be raised with a view to maintaining a reasonably protective rate, under the principles of the platform, for every industry that deserved protection. They found that the determination of the question, what was the actual cost of production and whether an industry in this country could live under a certain rate and withstand threatened competition from abroad, was most difficult. The manufacturers were prone to exaggerate the injury which a reduction in the duty would give and to magnify the amount of duty that was needed; while the importers, on the other hand, who were interested in developing the importation from foreign shores, were quite likely to be equally biased on the other side.

Mr. Payne reported a bill—the Payne Tariff bill—which went to the Senate and was amended in the Senate by increasing the duty on some things and decreasing it on others. The difference between the House bill and the Senate bill was very much less than the newspapers represented. It turns out upon examination that the reductions in the Senate were about equal to those in the House, though they differed in character. Now, there is nothing quite so difficult as the discussion of a tariff bill, for the reason that it covers so many different items, and the meaning of the terms and the percentages are very hard to understand. The passage of a new bill, especially where a change in the method of assessing the duties has been followed, presents an opportunity for various modes and calculations of the percentages of increases and decreases that are most misleading and really throw no light at all upon the changes made.

One way of stating what was done is to say what the facts show—that under the Dingley law there were 2,024 items. This included dutiable items only. The Payne law leaves 1,150 of these items unchanged. There are decreases in 654 of the items and increases in 220 of the items. Now, of course, that does not give a full picture, but it does show the proportion of decreases to have been three times those of the increases. Again, the schedules are divided into letters from A to N. The first schedule is that of chemicals, oils, etc. There are 232 items in the Dingley law; of these, 81 were decreased, 22 were increased, leaving 129 unchanged. Under Schedule B—earths, earthen ware and glass ware—there were 170 items in the Dingley law; 46 were decreased, 12 were increased, and 112 left unchanged. C is the schedule of metals and manufactures. There were 321 items in the Dingley law; 185 were decreased, 30 were increased, and 106 were left unchanged. D is the schedule of wood and manufactures of wood.

There were 35 items in the Dingley law; 18 were decreased, 3 were increased, and 14 were left unchanged. There were 38 items in sugar, and of these 2 were decreased and 36 left unchanged. Schedule F covers tobacco and manufactures of tobacco, of which there were 8 items; they were all left unchanged. In the schedule covering agricultural products and provisions there were 187 items in the Dingley law; 14 of them were decreased, 19 were increased, and 154 left unchanged. Schedule H—that of spirits and wines—contained 33 items in the Dingley law; 4 were decreased, 23 increased, and 6 left unchanged. In cotton manufactures there were 261 items; of these 28 were decreased, 47 increased, and 186 left unchanged. In Schedule J—flax, hemp, and jute—there were 254 items in the Dingley law; 187 were reduced, 4 were increased, and 63 left unchanged. In wool, and manufactures thereof, there were 78 items; 3 were decreased, none were increased, and 75 left unchanged. In silk and silk goods there were 78 items; of these, 21 were decreased, 31 were increased, and 26 were left unchanged. In pulp, papers, and books there were 59 items in the Dingley law, and of these 11 were decreased, 9 were increased, and 39 left unchanged. In sundries there were 270 items, and of these 54 were decreased, 20 were increased, and 196 left unchanged. So that the total showed 2,024 items in the Dingley law, of which 654 were decreased, 220 were increased, making 874 changes, and 1,150 left unchanged.

SCHEDULES.	Items in Dingley law.	Changes in Dingley law by Payne law.			Unchanged.
		Decreases.	Increases.	Total changes.	
A—Chemicals, oils, etc	232	81	22	103	129
B—Earths, earthen and glass ware	170	46	12	58	112
C—Metals, and manufactures of	321	185	30	215	106
D—Wood, and manufactures of	35	18	3	21	14
E—Sugar, molasses, and manufactures of	38	2	0	2	36
F—Tobacco, and manufactures of	8	0	0	0	8
G—Agricultural products and provisions	187	14	19	33	154
H—Spirits, wines, etc	33	4	23	27	6
I—Cotton manufactures	261	28	47	75	186
J—Flax, hemp, jute, manufactures of	254	187	4	191	63
K—Wool, and manufactures of	78	3	0	3	75
L—Silk and silk goods	78	21	31	52	26
M—Pulp, papers, and books	59	11	9	20	39
N—Sundries	270	54	20	74	196
Total	2,024	654	220	874	1,150

Attempts have been made to show what the real effect of these changes has been by comparing the imports under the various schedules, and assuming that the changes and their importance were in proportion to the importations. Nothing could be more unjust in a protective tariff which also contains revenue provisions. Some of the tariff is made for the purpose of increasing the revenue by increasing importations which shall pay duty. Other items in the tariff are made for the purpose of reducing competition, that is, by reducing importations, and, therefore, the question of the importance of a change in rate can not in the slightest degree be determined by the amount of imports that take place. In order to determine the importance of the changes, it is much fairer to take the articles on which the rates of duty have been reduced and those on which the rates of duty have been increased, and then determine from statistics how large a part the articles upon which duties have been reduced play in the consumption of the country, and how large a part those upon which the duties have been increased play in the consumption of the country. Such a table has been prepared by Mr. Payne, than whom there is no one who understands better what the tariff is and who has given more attention to the details of the schedule.

Now, let us take Schedule A—chemicals, oils, and paints. The articles upon which the duty has been decreased are consumed in this country to the extent of $433,000,000. The articles upon which the duty has been increased are consumed in this country to the extent of $11,000,000. Take Schedule B. The articles on which the duty has been decreased entered in the consumption of the country to the amount of $128,000,000, and there has been no increase in duty on such articles. Take Schedule C—metals and their manufactures. The amount to which such articles enter into the consumption of the country is $1,221,000,000, whereas the articles of the same schedule upon which there has been an increase enter into the consumption of the country to the extent of only $37,000,000. Take Schedule D—lumber. The articles in this schedule upon which there has been a decrease enter into the consumption of the country to the extent of $566,000,000, whereas the articles under the same schedule upon which there has been an increase enter into its consumption to the extent of $31,000,000. In tobacco there has been no change. In agricultural products, those in which there has been a reduction of rates enter into the consumption of the country to the extent of $483,000,000; those in which there has been an increase enter into the consumption to the extent of $4,000,000. In the schedule of wines and liquors, the articles upon which there has been an increase, enter into the consumption of the country to the extent of $462,000,000. In cottons there has been a change in the higher-priced cottons and an increase. There has been no increase in the lower-priced cottons, and of the increases the high-priced cottons enter into the consumption of the country to the extent of $41,000,000. Schedule J—flax, hemp, and jute: The articles upon which there has been a decrease enter into the consumption of the country to the extent of $22,000,000, while those upon which there has been an increase enter into the consumption to the extent of $804,000. In Schedule K as to wool, there has been no change. In Schedule L as to silk, the duty has been decreased on articles which enter into the consumption of the country to the extent of $8,000,000, and has been increased on articles that enter into the consumption of the country to the extent of $106,000,000. On paper and pulp the duty has been decreased on articles, including print paper, that enter into the consumption of the country to the extent of $67,000,000 and increased on articles that enter into the consumption of the country to the extent of $81,000,000. In sundries, or Schedule N, the duty has been decreased on articles that enter into the consumption of the country to the extent of $1,719,000,000; and increased on articles that enter into the consumption of the country to the extent of $101,000,000.

It will be found that in Schedule A the increases covered only luxuries—perfumes, pomades, and like articles; Schedule H—wines and liquors—which are certainly luxuries and are made subject to increase in order to increase the revenues, amounting to $462,000,000; and in Schedule L—silks—which are luxuries, certainly, $106,000,000, making a total of the consumption of those articles upon which there was an increase and which were luxuries of $579,000,000, leaving a balance of increase on articles which were not luxuries of value in consumption of only $272,000,000, as against $5,000,000,000, representing the amount of articles entering into the consumption of the country, mostly necessities, upon which there has been a reduction of duties, and to which the 650 decreases applied.

Statement.

Schedule.	Consumption value.	
	Duties decreased.	Duties increased.
A—Chemicals, oils, and paints	$ 433,099,846	$11,105,820
B—Earths, earthenware, and glassware	128,423,732	....
C—Metals, and manufactures of	1,221,956,620	37,675,804
D—Wood, and manufactures of	566,870,950	31,280,372
E—Sugar, molasses, and manufactures of	300,965,953	....
F—Tobacco, and manufactures of (no change of rates)	....	....
G—Agricultural, products and provisions	483,430,637	4,380,043
H—Spirits, wines, and other beverages	....	462,001,856
I—Cotton manufactures	....	41,622,024
J—Flax, hemp, jute, and manufactures of	22,127,145	804,445
K—Wool and manufactures of wool. (No production statistics available for articles affected by changes of rates)	....	....
L—Silks, and silk goods	7,947,568	106,742,646
M—Pulp, papers, and books	67,628,055	81,486,466
N—Sundries	1,719,428,069	101,656,598
Total	$4,951,878,575	$878,756,074

Of the above increases the following are luxuries, being articles strictly of voluntary use:

Schedule A. Chemicals, including perfumeries, pomades, and like articles	$11,105,820
Schedule H. Wines and liquors	462,001,856
Schedule L. Silks	106,742,646
Total	$579,850,322

This leaves a balance of increases which are not on articles of luxury of $298,905,752, as against decreases on about five billion dollars of consumption.

Now, this statement shows as conclusively as possible the fact that there was a substantial downward revision on articles entering into the general consumption of the country which can be termed necessities, for the proportion is $5,000,000,000, representing the consumption of articles to which decreases applied, to less than $300,000,000 of articles of necessity to which the increases applied.

Now, the promise of the Republican platform was not to revise everything downward, and in the speeches which have been taken as interpreting that platform, which I made in the campaign, I did not promise that everything should go downward. What I promised was, that there should be many decreases, and that in some few things increases would be found to be necessary; but that on the whole I conceived that the change of conditions would make the revision necessarily downward—and that, I contend, under the showing which I have made, has been the result of the Payne bill. I did not agree, nor did the Republican party agree, that we would reduce rates to such a point as to reduce prices by the introduction of foreign competition. That is what the free traders desire. That is what the revenue tariff reformers desire; but that is not what the Republican platform promised, and it is not what the Republican party wished to bring about. To repeat the statement with which I opened this speech, the proposition of the Republican party was to reduce rates so as to maintain a difference between the cost of production abroad and the cost of production here, insuring a reasonable profit to the manufacturer on all articles produced in this country; and the proposition to reduce rates and prevent their being excessive was to avoid the opportunity for monopoly and the suppression of competition, so that the excessive rates could be taken advantage of to force prices up.

Now, it is said that there was not a reduction in a number of the schedules where there should have been. It is said that there was no reduction in the cotton schedule. There was not. The House and the Senate took evidence and found from cotton manufacturers and from other sources that the rates upon the lower class of cottons were such as to enable them to make a decent profit—but only a decent profit—and they were contented with it; but that the rates on the higher grades of cotton cloth, by reason of court decisions, had been reduced so that they were considerably below those of the cheaper grades of cotton cloth, and that by undervaluations and otherwise the whole cotton schedule had been made unjust and the various items were disproportionate in respect to the varying cloths. Hence, in the Senate a new system was introduced attempting to make the duties more specific rather than ad valorem, in order to prevent by judicial decision or otherwise a disproportionate and unequal operation of the schedule. Under this schedule it was contended that there had been a general rise of all the duties on cotton. This was vigorously denied by the experts of the Treasury Department. At last, the Senate in conference consented to a reduction amounting to about 10 per cent. on all the lower grades of cotton and thus reduced the lower grades substantially to the same rates as before and increased the higher grades to what they ought to be under the Dingley law and what they were intended to be. Now, I am not going into the question of evidence as to whether the cotton duties were too high and whether the difference between the cost of production abroad and at home, allowing only a reasonable profit to the manufacturer here, is less than the duties which are imposed under the Payne bill. It was a question of evidence which Congress passed upon, after they heard the statements of cotton manufacturers and such other evidence as they could avail themselves of. I agree that the method of taking evidence and the determination was made in a general way, and that there ought to be other methods of obtaining evidence and reaching a conclusion more satisfactory.

Criticism has also been made of the crockery schedule and the failure to reduce that. The question whether it ought to have been reduced or not was a question of evidence which both committees of Congress took up, and both concluded that the present rates on crockery were such as were needed to maintain the business in this country. I had been informed that the crockery schedule was not high enough, and mentioned that in one of my campaign speeches as a schedule probably where there ought to be some increases. It turned out that the difficulty was rather in undervaluations than in the character of the schedule itself, and so it was not changed. It is entirely possible to collect evidence to attack almost any of the schedules, but one story is good until another is told, and I have heard no reason for sustaining the contention that the crockery schedule is unduly high. So with respect to numerous details—items of not great importance—in which, upon what they regarded as sufficient evidence, the committee advanced the rates in order to save a business which was likely to be destroyed.

I have never known a subject that will evoke so much contradictory evidence as the question of tariff rates and the question of cost of production at home and abroad. Take the subject of paper. A committee was appointed by Congress a year before the tariff sittings began, to determine what the difference was between the cost of production in Canada of print paper and the cost of production here, and they reported that they thought that a good bill would be one imposing $2 a ton on paper, rather than $6, the Dingley rate, provided that Canada could be induced to take off the export duties and remove the other obstacles to the importation of spruce wood in this country out of which wood pulp is made. An examination of the evidence satisfied Mr. Payne—I believe it satisfied some of the Republican dissenters—that $2, unless some change was made in the Canadian restrictions upon the exports of wood to this country, was much too low, and that $4 was only a fair measure of the difference between the cost of production here and in Canada. In other words, the $2 found by the special committee in the House was rather an invitation to Canada and the Canadian print-paper people to use their influence with their government to remove the wood restrictions by reducing the duty on print paper against Canadian print-paper mills. It was rather a suggestion of a diplomatic nature than a positive statement of the difference in actual cost of production under existing conditions between Canada and the United States.

There are other subjects which I might take up. The tariff on hides was taken off because it was thought that it was not necessary in view of the high price of cattle thus to protect the man who raised them, and that the duty imposed was likely to throw the control of the sale of hides into the hands of the meat packers in Chicago. In order to balance the reduction on hides, however, there was a great reduction in shoes, from 25 to 10 per cent.; on sole leather, from 20 to 5 per cent.; on harness, from 45 to 20 per cent. So there was a reduction in the duty on coal of 33⅓ per cent. All countervailing duties were removed from oil, naphtha, gasoline, and its refined products. Lumber was reduced from $2 to $1.25; and these all on articles of prime necessity. It is said that there might have been more. But there were many business interests in the South, in Maine, along the border, and especially in the far Northwest, which insisted that it would give great advantage to Canadian lumber if the reduction were made more than 75 cents. Mr. Pinchot, the Chief Forester, thought that it would tend to make better lumber in this country if a duty were retained on it. The lumber interests thought that $2 was none too much, but the reduction was made and the compromise effected. Personally I was in favor of free lumber, because I did not think that if the tariff was taken off there would be much suffering among the lumber interests. But in the controversy the House and Senate took a middle course, and who can say they were not justified.

With respect to the wool schedule, I agree that it probably represents considerably more than the difference between the cost of production abroad and the cost of production here. The difficulty about the woolen schedule is that there were two contending factions early in the history of Republican tariffs, to wit, woolgrowers and the woolen manufacturers, and that finally, many years ago, they settled on a basis by which wool in the grease should have 11 cents a pound, and by which allowance should be made for the shrinkage of the washed wool in the differential upon woolen manufactures. The percentage of duty was very heavy—quite beyond the difference in the cost of production, which was not then regarded as a necessary or proper limitation upon protective duties.

When it came to the question of reducing the duty at this hearing in the tariff bill on wool, Mr. Payne, in the House, and Mr. Aldrich, in the Senate, although both favored reduction in the schedule, found that in the Republican party the interests of the woolgrowers of the Far West and the interests of the woolen manufacturers in the East and in other States, reflected through their representatives in Congress, was sufficiently strong to defeat any attempt to change the woolen tariff, and that had it been attempted it would have beaten the bill reported from either committee. I am sorry this is so, and I could wish that it had been otherwise. It is the one important defect in the present Payne tariff bill and in the performance of the promise of the platform to reduce rates to a difference in the cost of production, with reasonable profit to the manufacturer. That it will increase the price of woolen cloth or clothes, I very much doubt. There have been increases by the natural product, but this was not due to the tariff, because the tariff was not changed. The increase would, therefore, have taken place whether the tariff would have been changed or not. The cost of woolen cloths behind the tariff wall, through the effect of competition, has been greatly less than the duty, if added to the price, would have made it.

There is a complaint now by the woolen clothiers and by the carded woolen people of this woolen schedule. They have honored me by asking in circulars sent out by them that certain questions be put to me in respect to it, and asking why I did not veto the bill in view of the fact that the woolen schedule was not made in accord with the platform. I ought to say in respect to this point that all of them in previous tariff bills were strictly in favor of maintaining the woolen schedule as it was. The carded woolen people are finding that carded wools are losing their sales because they are going out of style. People prefer worsteds. The clothing people who are doing so much circularizing were contented to let the woolen schedule remain as it was until very late in the tariff discussion, long after the bill had passed the

House, and, indeed, they did not grow very urgent until the bill had passed the Senate. This was because they found that the price of woolen cloth was going up, and so they desired to secure reduction in the tariff which would enable them to get cheaper material. They themselves are protected by a large duty, and I can not with deference to them ascribe their intense interest only to a deep sympathy with the ultimate consumers, so-called. But, as I have already said, I am quite willing to admit that allowing the woolen schedule to remain where it is, is not a compliance with the terms of the platform as I interpret it and as it is generally understood.

On the whole, however, I am bound to say that I think the Payne tariff bill is the best tariff bill that the Republican party ever passed; that in it the party has conceded the necessity for following the changed conditions and reducing tariff rates accordingly. This is a substantial achievement in the direction of lower tariffs and downward revision, and it ought to be accepted as such. Critics of the bill utterly ignore the very tremendous cuts that have been made in the iron schedule, which heretofore has been subject to criticism in all tariff bills. From iron ore, which was cut 75 per cent., to all the other items as low as 20 per cent., with an average of something like 40 or 50 per cent., that schedule has been reduced so that the danger of increasing prices through a monopoly of the business is very much lessened, and that was the chief purpose of revising the tariff downward under Republican protective principles. The severe critics of the bill pass this reduction in the metal schedule with a sneer, and say that the cut did not hurt the iron interests of the country. Well, of course it did not hurt them. It was not expected to hurt them. It was expected only to reduce excessive rates, so that business should still be conducted at a profit, and the very character of the criticism is an indication of the general injustice of the attitude of those who make it, in assuming that it was the promise of the Republican party to hurt the industries of the country by the reductions which they were to make in the tariff, whereas it expressly indicated as plainly as possible in the platform that all of the industries were to be protected against injury by foreign competition, and the promise only went to the reduction of excessive rates beyond what was necessary to protect them.

The high cost of living, of which 50 per cent. is consumed in food, 25 per cent. in clothing, and 25 per cent. in rent and fuel, has not been produced by the tariff, because the tariff has remained the same while the increases have gone on. It is due to the change of conditions the world over. Living has increased everywhere in cost—in countries where there is free trade and in countries where there is protection—and that increase has been chiefly seen in the cost of food products. In other words, we have had to pay more for the products of the farmer, for meat, for grain, for everything that enters into food. Now, certainly no one will contend that protection has increased the cost of food in this country, when the fact is that we have been the greatest exporters of food products in the world. It is only that the demand has increased beyond the supply, that farm lands have not been opened as rapidly as the population, and the demand has increased. I am not saying that the tariff does not increase prices in clothing and in building and in other items that enter into the necessities of life, but what I wish to emphasize is that the recent increases in the cost of living in this country have not been due to the tariff. We have a much higher standard of living in this country than they have abroad, and this has been made possible by higher income for the workingman, the farmer, and all classes. Higher wages have been made possible by the encouragement of diversified industries, built up and fostered by the tariff.

Now, the revision downward of the tariff that I have favored will not, I hope, destroy the industries of the country. Certainly it is not intended to. All that it is intended to do, and that is what I wish to repeat, is to put the tariff where it will protect industries here from foreign competition, but will not enable those who will wish to monopolize to raise prices by taking advantage of excessive rates beyond the normal difference in the cost of production.

If the country desires free trade, and the country desires a revenue tariff and wishes the manufacturers all over the country to go out of business, and to have cheaper prices at the expense of the sacrifice of many of our manufacturing interests, then it ought to say so and ought to put the Democratic party in power if it thinks that party can be trusted to carry out any affirmative policy in favor of a revenue tariff. Certainly in the discussions in the Senate there was no great manifestation on the part of our Democratic friends in favor of reducing rates on necessities. They voted to maintain the tariff rates on everything that came from their particular sections. If we are to have free trade, certainly it can not be had through the maintenance of Republican majorities in the Senate and House and a Republican administration.

And now the question arises, what was the duty of a Member of Congress who believed in a downward revision greater than that which has been accomplished, who thought that the wool schedules ought to be reduced, and that perhaps there were other respects in which the bill could be improved? Was it his duty because, in his judgment, it did not fully and completely comply with the promises of the party platform as he interpreted it, and indeed as I had interpreted it, to vote against the bill? I am here to justify those who answer this question in the negative. Mr. Tawney was adownward revisionist like myself. He is a low-tariff man, and has been known to be such in Congress all the time he has been there. He is a prominent Republican, the head of the Appropriations Committee, and when a man votes as I think he ought to vote, and an opportunity such as this presents itself, I am glad to speak in behalf of what he did, not in defense of it, but in support of it.

This is a government by a majority of the people. It is a representative government. People select some 400 members to constitute the lower House and some 92 members to constitute the upper House through their legislatures, and the varying views of a majority of the voters in eighty or ninety millions of people are reduced to one resultant force to take affirmative steps in carrying on a government by a system of parties. Without parties popular government would be absolutely impossible. In a party, those who join it, if they would make it effective, must surrender their personal predilections on matters comparatively of less importance in order to accomplish the good which united action on the most important principles at issue secures.

Now, I am not here to criticise those Republican Members and Senators whose views on the subject of the tariff were so strong and intense that they believed it their duty to vote against their party on the tariff bill. It is a question for each man to settle for himself. The question is whether he shall help maintain the party solidarity for accomplishing its chief purposes, or whether the departure from principle in the bill as he regards it is so extreme that he must in conscience abandon the party. All I have to say is, in respect to Mr. Tawney's action, and in respect to my own in signing the bill, that I believed that the interests of the country, the interests of the party, required me to sacrifice the accomplishment of certain things in the revision of the tariff which I had hoped for, in order to maintain party solidarity, which I believe to be much more important than the reduction of rates in one or two schedules of the tariff. Had Mr. Tawney voted against the bill, and there had been others of the House sufficient in number to have defeated the bill, or if I had vetoed the bill because of the absence of a reduction of rates in the wool schedule, when there was a general downward revision, and a substantial one though not a complete one, we should have left the party in a condition of demoraliztaion that would have prevented the accomplishment of purposes and a fulfillment of other promises which we had made just as solemnly as we had entered into that with respect to the tariff. When I could say without hesitation that this is the best tariff bill that the Republican party has ever passed, and therefore the best tariff bill that has been passed at all, I do not feel that I could have reconciled any other course to my conscience than that of signing the bill, and I think Mr. Tawney feels the same way. Of course, if I had vetoed the bill I would have received the applause of many Republicans who may be called low-tariff Republicans, and who think deeply on that subject, and of all the Democracy. Our friends the Democrats would have applauded, and then laughed in their sleeve at the condition in which the party would have been left; but, more than this, and waiving considerations of party, where would the country have been had the bill been vetoed, or been lost by a vote? It would have left the question of the revision of the tariff open for further discussion during the next session. It would have suspended the settlement of all our business down to a known basis upon which prosperity could proceed and investments be made, and it would have held up the coming of prosperity to this country certainly for a year and probably longer. These are the reasons why I signed it.

But there are additional reasons why the bill ought not to have been beaten. It contained provisions of the utmost importance in the interest of this country in dealing with foreign countries and in the supplying of a deficit which under the Dingley bill seemed inevitable. There has been a disposition in some foreign countries taking advantage of greater elasticity in their systems of imposing tariffs and of making regulations to exclude our products and exercise against us undue discrimination. Against these things we have been helpless, because it required an act of Congress to meet the difficulties. It is now proposed by what is called the maximum and minimum clause, to enable the President to allow to come into operation a maximum or penalizing increase of duties over the normal or minimum duties whenever in his opinion the conduct of the foreign countries has been unduly discriminatory against the United States. It is hoped that very little use may be required of this clause, but its presence in the law and the power conferred upon the Executive, it is thought, will prevent in the future such undue discriminations. Certainly this is most important to our exporters of agricultural products and manufactures.

Second. We have imposed an excise tax upon corporations measured by 1 per cent. upon the net income of all corporations except fraternal and charitable corporations after exempting $5,000. This, it is thought, will raise an income of 26 to 30 millions of dollars, will supply the deficit which otherwise might arise without it, and will bring under federal supervision more or less all the corporations of the country. The inquisitorial provisions of the act are mild but effective, and certainly we may look not only for a revenue but for some most interesting statistics and the means of obtaining supervision over corporate methods that has heretofore not obtained.

Then, we have finally done justice to the Philippines. We have introduced free trade between the Philippines and the United States, and we have limited the amount of sugar and the amount of tobacco and cigars that can be introduced from the Philippines to such a figure as shall greatly profit the Philippines and yet in no way disturb the products of the United States or interfere with those engaged in the tobacco or sugar interests here. These features of the bill were most important, and the question was whether they were to be sacrificed because the bill did not in respect to wool and woolens and in some few other matters meet our expectations. I do not hesitate to repeat that I think it would have been an unwise sacrifice of the business interests of the country, it would have been an unwise sacrifice of the solidarity, efficiency, and promise-performing power of the party, to have projected into the next session another long discussion of the tariff, and to have delayed or probably defeated the legislation needed in the improvement of our interstate commerce regulation, and in making more efficient our antitrust law and the prosecutions under it. Such legislation is needed to clinch the Roosevelt policies, by which corporations and those in control of them shall be limited to a lawful path and shal be prevented from returning to those abuses which a recurrence of prosperity is too apt to bring about unless definite, positive steps of a legislative character are taken to mark the lines of honest and lawful corporate management.

Now, there is another provision in the new tariff bill that I regard as of the utmost importance. It is a provision which appropriates $75,000 for the President to employ persons to assist him in the execution of the maximum and minimum tariff clause and in the administration of the tariff law. Under that authority, I conceive that the President has the right to appoint a board, as I have appointed it, who shall associate with themselves, and have under their control, a number of experts who shall address themselves, first, to the operation of foreign tariffs upon the exports of the United States, and then to the operation of the United States tariff upon imports and exports. There are provisions in the general tariff procedure for the ascertainment of the cost of production of articles abroad and the cost of production of articles here. I intend to direct the board in the course of these duties and in carrying them out, in order to assist me in the administration of the law, to make what might be called a glossary of the tariff, or a small encyclopedia of the tariff, or something to be compared to the United States Pharmacopœia with reference to information as to drugs and medicines. I conceive that such a board may very properly, in the course of their duties, take up separately all the items of the tariff, both those on the free list and those which are dutiable, describe what they are, where they are manufactured, what their uses are, the methods of manufacture, the cost of production abroad and here, and every other fact with respect to each item which would enable the Executive to understand the operation of the tariff, the value of the article, and the amount of duty imposed, and all those details which the student of every tariff law finds it so difficult to discover. I do not intend, unless compelled or directed by Congress, to publish the result of these investigations, but to treat them merely as incidental facts brought out officially from time to time, and as they may be ascertained and put on record in the department, there to be used when they have all been accumulated and are sufficiently complete to justify executive recommendation based on them. Now, I think it is utterly useless, as I think it would be greatly distressing to business, to talk of another revision of the tariff during the present Congress. I should think that it would certainly take the rest of this administration to accumulate the data upon which a new and proper revision of the tariff might be had. By that time the whole Republican party can express itself again in respect to the matter and bring to bear upon its Representatives in Congress that sort of public opinion which shall result in solid party action. I am glad to see that a number of those who thought it their duty to vote against the bill insist that they are still Republicans and intend to carry on their battle in favor of lower duties and a lower revision within the lines of the party. That is their right and, in their view of things, is their duty.

It is vastly better that they should seek action of the party than that they should break off from it and seek to organize another party, which would probably not result in accomplishing anything more than merely defeating our party and inviting in the opposing party, which does not believe, or says that it does not believe, in protection. I think that we ought to give the present bill a chance. After it has been operating for two or three years, we can tell much more accurately than we can to-day its effect upon the industries of the country and the necessity for any amendment in its provisions.

I have tried to state as strongly as I can, but not more strongly than I think the facts justify, the importance of not disturbing the business interests of this country by an attempt in this Congress or the next to make a new revision; but meantime I intend, so far as in me lies, to secure official data upon the operation of the tariff, from which, when a new revision is attempted, exact facts can be secured.

I have appointed a tariff board that has no brief for either side in respect to what the rates shall be. I hope they will make their observations and note their data in their record with exactly the same impartiality and freedom from anxiety as to result with which the Weather Bureau records the action of the elements or any scientific bureau of the Government records the results of its impartial investigations. Certainly the experience in this tariff justifies the statement that no revision should hereafter be attempted in which more satisfactory evidence of an impartial character is not secured.

I am sorry that I am not able to go into further detail with respect to the tariff bill, but I have neither the information nor the time in which to do it. I have simply stated the case as it seemed to Mr. Tawney in his vote and as it seemed to me in my signing the bill.

FIRST ANNUAL MESSAGE

THE WHITE HOUSE, *December 7, 1909.*

To the Senate and House of Representatives:

The relations of the United States with all foreign governments have continued upon the normal basis of amity and good understanding, and are very generally satisfactory.

EUROPE.

Pursuant to the provisions of the general treaty of arbitration concluded between the United States and Great Britain, April 4, 1908, a special agreement was entered into between the two countries on January 27, 1909, for the submission of questions relating to the fisheries on the North Atlantic Coast to a tribunal to be formed from members of the Permanent Court of Arbitration at The Hague.

In accordance with the provisions of the special agreement the printed case of each Government was, on October 4 last, submitted to the other and to the Arbitral Tribunal at The Hague, and the counter case of the United States is now in course of preparation.

The American rights under the fisheries article of the Treaty of 1818 have been a cause of difference between the United States and Great Britain for nearly seventy years. The interests involved are of great importance to the American fishing industry, and the final settlement of the controversy will remove a source of constant irritation and complaint. This is the first case involving such great international questions which has been submitted to the Permanent Court of Arbitration at The Hague.

The treaty between the United States and Great Britain concerning the Canadian International boundary, concluded April 11, 1908, authorizes the appointment of two commissioners to define and mark accurately the international boundary line between the United States and the Dominion of Canada in the waters of the Passamaquoddy Bay, and provides for the exchange of briefs within the period of six months. The briefs were duly presented within the prescribed period, but as the commissioners failed to agree within six months after the exchange of the printed statements, as required by the treaty, it has now become necessary to resort to the arbitration provided for in the article.

The International Fisheries Commission appointed pursuant to and under the authority of the Convention of April 11, 1908, between the United States and Great Britain, has completed a system of uniform and common international regulations for the protection and preservation of the food fishes in international boundary waters of the United States and Canada.

The regulations will be duly submitted to Congress with a view to the enactment of such legislation as will be necessary under the convention to put them into operation.

The Convention providing for the settlement of international differences between the United States and Canada, including the apportionment between the two countries of certain of the boundary waters and the appointment of commissioners to adjust certain other questions, signed on the 11th day of January, 1909, and to the ratification of which the Senate gave its advice and consent on March 3, 1909, has not yet been ratified on the part of Great Britain.

Commissioners have been appointed on the part of the United States to act jointly with Commissioners on the part of Canada in examining into the question of obstructions in the St. John River between Maine and New Brunswick, and to make recommendations for the regulation of the uses thereof, and are now engaged in this work.

Negotiations for an international conference to consider and reach an arrangement providing for the preservation and protection of the fur seals in the North Pacific are in progress with the Governments of Great Britain, Japan, and Russia. The attitude of the Governments interested leads me to hope for a satisfactory settlement of this question as the ultimate outcome of the negotiations.

The Second Peace Conference recently held at The Hague adopted a convention for the establishment of an International Prize Court upon the joint proposal of delegations of the United States, France, Germany and Great Britain. The law to be observed by the Tribunal in the decision of prize cases was, however, left in an uncertain and therefore unsatisfactory state. Article 7 of the Convention provided that the Court was to be governed by the provisions of treaties existing between the belligerents, but that "in the absence of such provisions, the court shall apply the rules of international law. If no generally recognized rule exists, the court shall give judgment in accordance with the general principles of justice and equity." As, however, many questions in international maritime law are understood differently and therefore interpreted differently in various countries, it was deemed advisable not to intrust legislative powers to the proposed court, but to determine the rules of law properly applicable in a Conference of the representative maritime nations. Pursuant to an invitation of Great Britain a conference was held at London from December 2, 1908, to February 26, 1909, in which the following Powers participated: the United States, Austria-Hungary, France, Germany, Great Britain, Italy, Japan, the Netherlands, Russia and Spain. The conference resulted in the Declaration of London, unanimously agreed to and signed by the participating Powers, concerning among other matters, the highly important subjects of blockade, contraband, the destruction of neutral prizes, and continuous voyages.

The declaration of London is an eminently satisfactory codification of the international maritime law, and it is hoped that its reasonableness and fairness will secure its general adoption, as well as remove one of the difficulties standing in the way of the establishment of an International Prize Court.

Under the authority given in the sundry civil appropriation act, approved March 4, 1909, the United States was represented at the International Conference on Maritime Law at Brussels. The Conference met on the 28th of September last and resulted in the signature *ad referendum* of a convention for the unification of certain regulations with regard to maritime assistance and salvage and a convention for the unification of certain rules with regard to collisions at sea.

Two new projects of conventions which have not heretofore been considered in a diplomatic conference, namely, one concerning the limitation of the responsibility of shipowners, and the other concerning marine mortgages and privileges, have been submitted by the Conference to the different governments.

The Conference adjourned to meet again on April 11, 1910.

The International Conference for the purpose of promoting uniform legislation concerning letters of exchange, which was called by the Government of the Netherlands to meet at The Hague in September, 1909, has been postponed to meet at that capital in June, 1910. The United States will be appropriately represented in this Conference under the provision therefor already made by Congress.

The cordial invitation of Belgium to be represented by a fitting display of American progress in the useful arts and inventions at the World's Fair to be held at Brussels in 1910 remains to be acted upon by the Congress. Mindful of the advantages to accrue to our artisans and producers in competition with their Continental rivals, I renew the recommendation heretofore made that provision be made for acceptance of the invitation and adequate representation in the Exposition.

The question arising out of the Belgian annexation of the Independent State of the Congo, which has so long and earnestly preoccupied the attention of this Government and enlisted the sympathy of our best citizens, is still open, but in a more hopeful stage. This Government was among the foremost in the great work of uplifting the uncivilized regions of Africa and urging the extension of the benefits of civilization, education, and fruitful open commerce to that vast domain, and is a party to treaty engagements of all the interested powers designed to carry out that great duty to humanity. The way to better the original and adventitious conditions, so burdensome to the natives and so destructive to their development, has been pointed out, by observation and experience, not alone of American representatives, but by cumulative evidence from all quarters and by the investigations of Belgian Agents. The announced programmes of reforms, striking at many of the evils known to exist, are an augury of better things. The attitude of the United States is one of benevolent encouragement, coupled with a hopeful trust that the good work, responsibly undertaken and zealously perfected to the accomplishment of the results so ardently desired, will soon justify the wisdom that inspires them and satisfy the demands of humane sentiment throughout the world.

A convention between the United States and Germany, under which the nonworking provisions of the German patent law are made inapplicable to the patents of American citizens, was concluded on February 23, 1909, and is now in force. Negotiations for similar conventions looking to the placing of American inventors on the same footing as nationals have recently been initiated with other European governments whose laws require the local working of foreign patents.

Under an appropriation made at the last session of the Congress, a commission was sent on American cruisers to Monrovia to investigate the interests of the United States and its citizens in Liberia. Upon its arrival at Monrovia the commission was enthusiastically received, and during its stay in Liberia was everywhere met with the heartiest expressions of good will for the American Government and people and the hope was repeatedly expressed on all sides that this Government might see its way clear to do something to relieve the critical position of the Republic arising in a measure from external as well as internal and financial embarrassments.

The Liberian Government afforded every facility to the Commission for ascertaining the true state of affairs. The Commission also had conferences with representative citizens, interested foreigners and the representatives of foreign governments in Monrovia. Visits were made to various parts of the Republic and to the neighboring British colony of Sierra Leone, where the Commission was received by and conferred with the Governor.

It will be remembered that the interest of the United States in the Republic of Liberia springs from the historical fact of the foundation of the Republic by the colonization of American citizens of the African race. In an early treaty with Liberia there is a provision under which the United States may be called upon for advice or assistance. Pursuant to this provision and in the spirit of the moral relationship of the United States to Liberia, that Republic last year asked this Government to lend assistance in the solution of certain of their national problems, and hence the Commission was sent.

The report of our commissioners has just been completed and is now under examination by the Department of State. It is hoped that there may result some helpful measures, in which case it may be my duty again to invite your attention to this subject.

The Norwegian Government, by a note addressed on January 26, 1909, to the Department of State, conveyed an invitation to the Government of the United States to take part in a conference which it is understood will be held in February or March, 1910, for the purpose of devising means to remedy existing conditions in the Spitzbergen Islands.

This invitation was conveyed under the reservation that the question of altering the status of the islands as countries belonging to no particular State, and as equally open to the citizens and subjects of all States, should not be raised.

The European Powers invited to this Conference by the Government of Norway were Belgium, Denmark, France, Germany, Great Britain, Russia, Sweden and the Netherlands.

The Department of State, in view of proofs filed with it in 1906, showing the American possession, occupation, and working of certain coal-bearing lands in Spitzbergen, accepted the invitation under the reservation above stated, and under the further reservation that all interests in those islands already vested should be protected and that there should be equality of opportunity for the future. It was further pointed out that membership in the Conference on the part of the United States was qualified by the consideration that this Government would not become a signatory to any conventional arrangement concluded by the European members of the Conference which would imply contributory participation by the United States in any obligation or responsibility for the enforcement of any scheme of administration which might be devised by the Conference for the islands.

THE NEAR EAST.

His Majesty Mehmed V, Sultan of Turkey, recently sent to this country a special embassy to announce his accession. The quick transition of the Government of the Ottoman Empire from one of retrograde tendencies to a constitutional government with a Parliament and with progressive modern policies of reform and public improvement is one of the important phenomena of our times. Constitutional government seems also to have made further advance in Persia. These events have turned the eyes of the world upon the Near East. In that quarter the prestige of the United States has spread widely through the peaceful influence of American schools, universities and missionaries. There is every reason why we should obtain a greater share of the commerce of the Near East since the conditions are more favorable now than ever before.

LATIN AMERICA.

One of the happiest events in recent Pan-American diplomacy was the pacific, independent settlement by the Governments of Bolivia and Peru of a boundary difference between them, which for some weeks threatened to cause war and even to entrain embitterments affecting other republics less directly concerned. From various quarters, directly or indirectly concerned, the intermediation of the United States was sought to assist in a solution of the controversy. Desiring at all times to abstain from any undue mingling in the affairs of sister republics and having faith in the ability of the Governments of Peru and Bolivia themselves to settle their differences in a manner staisfactory to themselves which, viewed with magnanimity, would assuage all embitterment, this Government steadily abstained from being drawn into the controversy and was much gratified to find its confidence justified by events.

On the 9th of July next there will open at Buenos Aires the Fourth Pan-American Conference. This conference will have a special meaning to the hearts of all Americans, because around its date are clustered the anniversaries of the independence of so many of the American republics. It is not necessary for me to remind the Congress of the political, social and commercial importance of these gatherings. You are asked to make liberal appropriation for our participation. If this be granted, it is my purpose to appoint a distinguished and representative delegation, qualified fittingly to represent this country and to deal with the problems of intercontinental interest which will there be discussed.

The Argentine Republic will also hold from May to November, 1910, at Buenos Aires, a great International Agricultural Exhibition in which the United States has been invited to participate. Considering the rapid growth of the trade of the United States with the Argentine Republic and the cordial relations existing between the two nations, together with the fact that it provides an opportunity to show deference to a sister republic on the occasion of the celebration of its national independence, the proper Departments of this Government are taking steps to apprise the interests concerned of the opportunity afforded by this Exhibition, in which appropriate participation by this country is so desirable. The designation of an official representative is also receiving consideration.

To-day, more than ever before, American capital is seeking investment in foreign countries, and American products are more and more generally seeking foreign markets. As a consequence, in all countries there are American citizens and American interests to be protected, on occasion, by their Government. These movements of men, of capital, and of commodities bring peoples and governments closer together and so form bonds of peace and mutual dependency, as they must also naturally sometimes make passing points of friction. The resultant situation inevitably imposes upon this Government vastly increased responsibilities. This Administration, through the Department of State and the foreign service, is lending all proper support to legitimate and beneficial American enterprises in foreign countries, the degree of such support being measured by the national advantages to be expected. A citizen himself can not by contract or otherwise divest himself of the right, nor can this Government escape the obligation, of his protection in his personal and property rights when these are unjustly infringed in a foreign country. To avoid ceaseless vexations it is proper that in considering whether American enterprise should be encouraged or supported in a particular country, the Government should give full weight not only to the national, as opposed to the individual benefits to accrue, but also to the fact whether or not the Government of the country in question is in its administration and in its diplomacy faithful to the principles of moderation, equity and justice upon which alone depend international credit, in diplomacy as well as in finance.

The Pan-American policy of this Government has long been fixed in its principles and remains unchanged. With the changed circumstances of the United States and of the Republics to the south of us, most of which have great natural resources, stable government and progressive ideals, the apprehension which gave rise to the Monroe Doctrine may be said to have nearly disappeared, and neither the doctrine as it exists nor any other doctrine of American policy should be permitted to operate for the perpetuation of irresponsible government, the escape of just obligations, or the insidious allegation of dominating ambitions on the part of the United States.

Beside the fundamental doctrines of our Pan-American policy there have grown up a realization of political interests, community of institutions and ideals, and a flourishing commerce. All these bonds will be greatly strengthened as time goes on and increased facilities, such as the great bank soon to be established in Latin America, supply the means for building up the colossal intercontinental commerce of the future.

My meeting with President Diaz and the greeting exchanged on both American and Mexican soil served, I hope, to signalize the close and cordial relations which so well bind together this Republic and the great Republic immediately to the south, between which there is so vast a network of material interests.

I am happy to say that all but one of the cases which for so long vexed our relations with Venezuela have been settled within the past few months and that, under the enlightened régime now directing the Government of Venezuela, provision has been made for arbitration of the remaining case before The Hague Tribunal.

On July 30, 1909, the Government of Panama agreed, after considerable negotiation, to indemnify the relatives of the American officers and sailors who were brutally treated, one of them having, indeed, been killed by the Panaman police this year.

The sincere desire of the Government of Panama to do away with a situation where such an accident could occur is manifest in the recent request in compliance with which this Government has lent the services of an officer of the Army to be employed by the Government of Panama as Instructor of Police.

The sanitary improvements and public works undertaken in Cuba prior to the present administration of that Government, in the success of which the United States is interested under the treaty, are reported to be making good progress and since the Congress provided for the continuance of the reciprocal commercial arrangement between Cuba and the United States assurance has been received that no negotiations injuriously affecting the situation will be undertaken without consultation.

The collection of the customs of the Dominican Republic through the general receiver of customs appointed by the President of the United States in accordance with the convention of February 8, 1907, has proceeded in an uneventful and satisfactory manner. The customs receipts have decreased owing to disturbed political and economic conditions and to a very natural curtailment of imports in view of the anticipated revision of the Dominican tariff schedule.

The payments to the fiscal agency fund for the service of the bonded debt of the Republic, as provided by the convention, have been regularly and promptly made, and satisfactory progress has been made in carrying out the provisions of the convention looking towards the completion of the adjustment of the debt and the acquirement by the Dominican Government of certain concessions and monopolies which have been a burden to the commerce of the country. In short, the receivership has demonstrated its ability, even under unfavorable economic and political conditions, to do the work for which it was intended.

This Government was obliged to intervene diplomatically to bring about arbitration or settlement of the claim of the Emery Company against Nicaragua, which it had long before been agreed should be arbitrated. A settlement of this troublesome case was reached by the signature of a protocol on September 18, 1909.

Many years ago diplomatic intervention became necessary to the protection of the interests in the American claim of Alsop and Company against the Government of Chile. The Government of Chile had frequently admitted obligation in the case and had promised this Government to settle. There had been two abortive attempts to do so through arbitral commissions, which failed through lack of jurisdiction. Now, happily, as the result of the recent diplomatic negotiations, the Governments of the United States and of Chile, actuated by the sincere desire to free from any strain those cordial and friendly relations upon which both set such store, have agreed by a protocol to submit the controversy to definitive settlement by His Britannic Majesty, Edward VII.

Since the Washington Conventions of 1907 were communicated to the Government of the United States as a consulting and advising party, this Government has been almost continuously called upon by one or another, and in turn by all the five Central American Republics, to exert itself for the maintenance of the Conventions. Nearly every complaint has been against the Zelaya Government of Nicaragua, which has kept Central America in constant tension or turmoil. The responses made to the representations of Central American Republics, as due from the United States on account of its relation to the Washington Conventions, have been at all times conservative and have avoided, so far as possible, any semblance of interference, although it is very apparent that the considerations of geographic proximity to the Canal Zone and of the very substantial American interests in Central America give to the United States a special position in the zone of these Republics and the Caribbean Sea.

I need not rehearse here the patient efforts of this Government to promote peace and welfare among these Republics, efforts which are fully appreciated by the majority of them who are loyal to their true interests. It would be no less unnecessary to rehearse here the sad tale of unspeakable barbarities and oppression alleged to have been committed by the Zelaya Government. Recently two Americans were put to death by order of President Zelaya himself. They were reported to have been regularly commissioned officers in the organized forces of a revolution which had continued many weeks and was in control of about half of the Republic, and as such, according to the modern enlightened practice of civilized nations, they were entitled to be dealt with as prisoners of war.

At the date when this message is printed this Government has terminated diplomatic relations with the Zelaya Government, for reasons made public in a communication to the former Nicaraguan chargé d'affaires, and is intending to take such future steps as may be found most consistent with its dignity, its duty to American interests, and its moral obligations to Central America and to civilization. It may later be necessary for me to bring this subject to the attention of the Congress in a special message.

The International Bureau of American Republics has carried on an important and increasing work during the last year. In the exercise of its peculiar functions as an international agency, maintained by all the American Republics for the development of Pan-American commerce and friendship, it has accomplished a great practical good which could be done in the same way by no individual department or bureau of one government, and is therefore deserving of your liberal support. The fact that it is about to enter a new building, erected through the munificence of an American philanthropist and the contributions of all the American nations, where both its efficiency of administration and expense of maintenance will naturally be much augmented, further entitles it to special consideration.

THE FAR EAST.

In the Far East this Government preserves unchanged its policy of supporting the principle of equality of opportunity and scrupulous respect for the integrity of the Chinese Empire, to which policy are pledged the interested Powers of both East and West.

By the Treaty of 1903 China has undertaken the abolition of likin with a moderate and proportionate raising of the customs tariff along with currency reform. These reforms being of manifest advantage to foreign commerce as well as to the interests of China, this Government is endeavoring to facilitate these measures and the needful acquiescence of the treaty Powers. When it appeared that Chinese likin revenues were to be hypothecated to foreign bankers in connection with a great railway project, it was obvious that the Governments whose nationals held this loan would have a certain direct interest in the question of the carrying out by China of the reforms in question. Because this railroad loan represented a practical and real application of the open door policy through cooperation with China by interested Powers as well as because of its relations to the reforms referred to above, the Administration deemed American participation to be of great national interest. Happily, when it was as a matter of broad policy urgent that this opportunity should not be lost, the indispensable instrumentality presented itself when a group of American bankers, of international reputation and great resources, agreed at once to share in the loan upon precisely such terms as this Government should approve. The chief of those terms was that American railway material should be upon an exact equality with that of the other nationals joining in the loan in the placing of orders for this whole railroad system. After months of negotiation the equal participation of Americans seems at last assured. It is gratifying that Americans will thus take their share in this extension of these great highways of trade, and to believe that such activities will give a real impetus to our commerce and will prove a practical corollary to our historic policy in the Far East.

The Imperial Chinese Government in pursuance of its decision to devote funds from the portion of the indemnity remitted by the United States to the sending of students to this country has already completed arrangements for carrying out this purpose, and a considerable body of students have arrived to take up their work in our schools and universities. No one can doubt the happy effect that the associations formed by these representative young men will have when they return to take up their work in the progressive development of their country.

The results of the Opium Conference held at Shanghai last spring at the invitation of the United States have been laid before the Government. The report shows that China is making remarkable progress and admirable efforts toward the eradication of the opium evil and that the Governments concerned have not allowed their commercial interests to interfere with a helpful cooperation in this reform. Collateral investigations of the opium question in this country lead me to recommend that the manufacture, sale and use of opium and its derivatives in the United States should be so far as possible more rigorously controlled by legislation.

In one of the Chinese-Japanese Conventions of September 4 of this year there was a provision which caused considerable public apprehension in that upon its face it was believed in some quarters to seek to establish a monopoly of mining privileges along the South Manchurian and Antung-Mukden Railroads, and thus to exclude Americans from a wide field of enterprise, to take part in which they were by treaty with China entitled. After a thorough examination of the Conventions and of the several contextual documents, the Secretary of State reached the conclusion that no such monopoly was intended or accomplished. However, in view of the widespread discussion of this question, to confirm the view it had reached, this Government made inquiry of the Imperial Chinese and Japanese Governments and received from each official assurance that the provision had no purpose inconsistent with the policy of equality of opportunity to which the signatories, in common with the United States, are pledged.

Our traditional relations with the Japanese Empire continue cordial as usual. As the representative of Japan, His Imperial Highness Prince Kuni visited the Hudson-Fulton Celebration. The recent visit of a delegation of prominent business men as guests of the chambers of commerce of the Pacific slope, whose representatives had been so agreeably received in Japan, will doubtless contribute to the growing trade across the Pacific, as well as to that mutual understanding which leads to mutual appreciation. The arrangement of 1908 for a cooperative control of the coming of laborers to the United States has proved to work satisfactorily. The matter of a revision of the existing treaty between the United States and Japan which is terminable in 1912 is already receiving the study of both countries.

The Department of State is considering the revision in whole or in part, of the existing treaty with Siam, which was concluded in 1856, and is now, in respect to many of its provisions, out of date.

THE DEPARTMENT OF STATE.

I earnestly recommend to the favorable action of the Congress the estimates submitted by the Department of State and most especially the legislation suggested in the Secretary of State's letter of this date whereby it will be possible to develop and make permanent the reorganization of the Department upon modern lines in a manner to make it a thoroughly efficient instrument in the furtherance of our foreign trade and of American interests abroad. The plan to have Divisions of Latin-American and Far Eastern Affairs and to institute a certain specialization in business with Europe and the Near East will at once commend itself. These politico-geographical divisions and the detail from the diplomatic or consular service to the Department of a number of men, who bring to the study of complicated problems in different parts of the world practical knowledge recently gained on the spot, clearly is of the greatest advantage to the Secretary of State in foreseeing conditions likely to arise and in conducting the great variety of correspondence and negotiation. It should be remembered that such facilities exist in the foreign offices of all the leading commercial nations and that to deny them to the Secretary of State would be to place this Government at a great disadvantage in the rivalry of commercial competition.

The consular service has been greatly improved under the law of April 5, 1906, and the Executive Order of June 27, 1906, and I commend to your consideration the question of embodying in a statute the principles of the present Executive Order upon which the efficiency of our consular service is wholly dependent.

In modern times political and commercial interests are interrelated, and in the negotiation of commercial treaties, conventions and tariff agreements, the keeping open of opportunities and the proper support of American enterprises, our diplomatic service is quite as important as the consular service to the business interests of the country. Impressed with this idea and convinced that selection after rigorous examination, promotion for merit solely and the experience only to be gained through the continuity of an organized service are indispensable to a high degree of efficiency in the diplomatic service, I have signed an Executive Order as the first step toward this very desirable result. Its effect should be to place all secretaries in the diplomatic service in much the same position as consular officers are now placed and to tend to the promotion of the most efficient to the grade of minister, generally leaving for outside appointments such posts of the grade of ambassador or minister as it may be expedient to fill from without the service. It is proposed also to continue the practice instituted last summer of giving to all newly appointed secretaries at least one month's thorough training in the Department of State before they proceed to their posts. This has been done for some time in regard to the consular service with excellent results.

Under a provision of the Act of August 5, 1909, I have appointed three officials to assist the officers of the Government in collecting information necessary to a wise administration of the tariff act of August 5, 1909. As to questions of customs administration they are cooperating with the officials of the Treasury Department and as to matters of the needs and the exigencies of our manufacturers and exporters, with the Department of Commerce and Labor, in its relation to the domestic aspect of the subject of foreign commerce.

In the study of foreign tariff treatment they will assist the Bureau of Trade Relations of the Department of State. It is hoped thus to coordinate and bring to bear upon this most important subject all the agencies of the Government which can contribute anything to its efficient handling.

As a consequence of Section 2 of the tariff act of August 5, 1909, it becomes the duty of the Secretary of State to conduct as diplomatic business all the negotiations necessary to place him in a position to advise me as to whether or not a particular country unduly discriminates against the United States in the sense of the statute referred to. The great scope and complexity of this work, as well as the obligation to lend all proper aid to our expanding commerce, is met by the expansion of the Bureau of Trade Relations as set forth in the estimates for the Department of State.

OTHER DEPARTMENTS.

I have thus in some detail described the important transactions of the State Department since the beginning of this Administration for the reason that there is no provision either by statute or custom for a formal report by the Secretary of State to the President or to Congress, and a Presidential message is the only means by which the condition of our foreign relations is brought to the attention of Congress and the public.

In dealing with the affairs of the other Departments, the heads of which all submit annual reports, I shall touch only those matters that seem to me to call for special mention on my part without minimizing in any way the recommendations made by them for legislation affecting their respective Departments, in all of which I wish to express my general concurrence.

GOVERNMENT EXPENDITURES AND REVENUES.

Perhaps the most important question presented to this Administration is that of economy in expenditures and sufficiency of revenue. The deficit of the last fiscal year, and the certain deficit of the current year, prompted Congress to throw a greater responsibility on the Executive and the Secretary of the Treasury than had heretofore been declared by statute. This declaration imposes upon the Secretary of the Treasury the duty of assembling all the estimates of the Executive Departments, bureaus, and offices, of the expenditures necessary in the ensuing fiscal year, and of making an estimate of the revenues of the Government for the same period; and if a probable deficit is thus shown, it is made the duty of the President to recommend the method by which such deficit can be met.

The report of the Secretary shows that the ordinary expenditures for the current fiscal year ending June 30, 1910, will exceed the estimated receipts by $34,075,620. If to this deficit is added the sum to be disbursed for the Panama Canal, amounting to $38,000,000, and $1,000,000 to be paid on the public debt, the deficit of ordinary receipts and expenditures will be increased to a total deficit of $73,075,620. This deficit the Secretary proposes to meet by the proceeds of bonds issued to pay the cost of constructing the Panama Canal. I approve this proposal.

The policy of paying for the construction of the Panama Canal, not out of current revenue, but by bond issues, was adopted in the Spooner Act of 1902, and there seems to be no good reason for departing from the principle by which a part at least of the burden of the cost of the canal shall fall upon our posterity who are to enjoy it; and there is all the more reason for this view because the actual cost to date of the canal, which is now half done and which will be completed January 1, 1915, shows that the cost of engineering and construction will be $297,766,000, instead of $139,705,200, as originally estimated. In addition to engineering and construction, the other expenses, including sanitation and government, and the amount paid for the properties, the franchise, and the privilege of building the canal, increase the cost by $75,435,000, to a total of $375,201,000. The increase in the cost of engineering and construction is due to a substantial enlargement of the plan of construction by widening the canal 100 feet in the Culebra cut and by increasing the dimensions of the locks, to the underestimate of the quantity of the work to be done under the original plan, and to an underestimate of the cost of labor and materials both of which have greatly enhanced in price since the original estimate was made.

In order to avoid a deficit for the ensuing fiscal year, I directed the heads of Departments in the preparation of their estimates to make them as low as possible consistent with imperative governmental necessity. The result has been, as I am advised by the Secretary of the Treasury, that the estimates for the expenses of the Government for the next fiscal year ending June 30, 1911, are less than the appropriations for this current fiscal year by $42,818,000. So far as the Secretary of the Treasury is able to form a judgment as to future income, and compare it with the expenditures for the next fiscal year ending June 30, 1911, and excluding payments on account of the Panama Canal, which will doubtless be taken up by bonds, there will be a surplus of $35,931,000.

In the present estimates the needs of the Departments and of the Government have been cut to the quick, so to speak, and any assumption on the part of Congress, so often made in times past, that the estimates have been prepared with the expectation that they may be reduced, will result in seriously hampering proper administration.

The Secretary of the Treasury points out what should be carefully noted in respect to this reduction in governmental expenses for the next fiscal year, that the economies are of two kinds—first, there is a saving in the permanent administration of the Departments, bureaus, and offices of the Government; and, second, there is a present reduction in expenses by a postponement of projects and improvements that ultimately will have to be carried out, but which are now delayed with the hope that additional revenue in the future will permit their execution without producing a deficit.

It has been impossible in the preparation of estimates greatly to reduce the cost of permanent administration. This can not be done without a thorough reorganization of bureaus, offices, and departments. For the purpose of securing information which may enable the executive and the legislative branches to unite in a plan for the permanent reduction of the cost of governmental administration, the Treasury Department has instituted an investigation by one of the most skilled expert accountants in the United States. The result of his work in two or three bureaus, which, if extended to the entire Government, must occupy two or more years, has been to show much room for improvement and opportunity for substantial reductions in the cost and increased efficiency of administration. The object of the investigation is to devise means to increase the average efficiency of each employee. There is great room for improvement toward this end, not only by the reorganization of bureaus and departments and in the avoidance of duplication, but also in the treatment of the individual employee.

Under the present system it constantly happens that two employees receive the same salary when the work of one is far more difficult and important and exacting than that of the other. Superior ability is not rewarded or encouraged. As the classification is now entirely by salary, an employee often rises to the highest class while doing the easiest work, for which alone he may be fitted. An investigation ordered by my predecessor resulted in the recommendation that the civil service be reclassified according to the kind of work, so that the work requiring most application and knowledge and ability shall receive most compensation. I believe such a change would be fairer to the whole force and would permanently improve the personnel of the service.

More than this, every reform directed toward the improvement in the average efficiency of government employees must depend on the ability of the Executive to eliminate from the government service those who are inefficient from any cause, and as the degree of efficiency in all the Departments is much lessened by the retention of old employees who have outlived their energy and usefulness, it is indispensable to any proper system of economy that provision be made so that their separation from the service shall be easy and inevitable. It is impossible to make such provision unless there is adopted a plan of civil pensions.

Most of the great industrial organizations, and many of the well-conducted railways of this country, are coming to the conclusion that a system of pensions for old employees, and the substitution therefor of younger and more energetic servants, promotes both economy and efficiency of administration.

I am aware that there is a strong feeling in both Houses of Congress, and possibly in the country, against the establishment of civil pensions, and that this has naturally grown out of the heavy burden of military pensions, which it has always been the policy of our Government to assume; but I am strongly convinced that no other practical solution of the difficulties presented by the superannuation of civil servants can be found than that of a system of civil pensions.

The business and expenditures of the Government have expanded enormously since the Spanish war, but as the revenues have increased in nearly the same proportion as the expenditures until recently, the attention of the public, and of those responsible for the Government, has not been fastened upon the question of reducing the cost of administration. We can not, in view of the advancing prices of living, hope to save money by a reduction in the standard of salaries paid. Indeed, if any change is made in that regard, an increase rather than a decrease will be necessary; and the only means of economy will be in reducing the number of employees and in obtaining a greater average of efficiency from those retained in the service.

Close investigation and study needed to make definite recommendations in this regard will consume at least two years. I note with much satisfaction the organization in the Senate of a Committee on Public Expenditures, charged with the duty of conducting such an investigation, and I tender to that committee all the assistance which the executive branch of the Government can possibly render.

FRAUDS IN THE COLLECTION OF CUSTOMS.

I regret to refer to the fact of the discovery of extensive frauds in the collections of the customs revenue at New York City, in which a number of the subordinate employees in the weighing and other departments were directly concerned, and in which the beneficiaries were the American Sugar Refining Company and others. The frauds consisted in the payment of duty on underweights of sugar. The Government has recovered from the American Sugar Refining Company all that it is shown to have been defrauded of. The sum was received in full of the amount due, which might have been recovered by civil suit against the beneficiary of the fraud, but there was an express reservation in the contract of settlement by which the settlement should not interfere with, or prevent the criminal prosecution of everyone who was found to be subject to the same.

Criminal prosecutions are now proceeding against a number of the Government officers. The Treasury Department and the Department of Justice are exerting every effort to discover all the wrongdoers, including the officers and employees of the companies who may have been privy to the fraud. It would seem to me that an investigation of the frauds by Congress at present, pending the probing by the Treasury Department and the Department of Justice, as proposed, might by giving immunity and otherwise prove an embarrassment in securing conviction of the guilty parties.

MAXIMUM AND MINIMUM CLAUSE IN TARIFF ACT.

Two features of the new tariff act call for special reference. By virtue of the clause known as the "Maximum and Minimum" clause, it is the duty of the Executive to consider the laws and practices of other countries with reference to the importation into those countries of the products and merchandise of the United States, and if the Executive finds such laws and practices not to be *unduly discriminatory* against the United States, the minimum duties provided in the bill are to go into force. Unless the President makes such a finding, then the maximum duties provided in the bill, that is, an increase of twenty-five per cent. *ad valorem* over the minimum duties, are to be in force. Fear has been expressed that this power conferred and duty imposed on the Executive is likely to lead to a tariff war. I beg to express the hope and belief that no such result need be anticipated.

The discretion granted to the Executive by the terms "unduly discriminatory" is wide. In order that the maximum duty shall be charged against the imports from a country, it is necessary that he shall find on the part of that country not only discriminations in its laws or the practice under them against the trade of the United States, but that the discriminations found shall be undue; that is, without good and fair reason. I conceive that this power was reposed in the President with the hope that the maximum duties might never be applied in any case, but that the power to apply them would enable the President and the State Department through friendly negotiation to secure the elimination from the laws and the practice under them of any foreign country of that which is unduly discriminatory. No one is seeking a tariff war or a condition in which the spirit of retaliation shall be aroused.

USES OF THE NEW TARIFF BOARD.

The new tariff law enables me to appoint a tariff board to assist me in connection with the Department of State in the administration of the minimum and maximum clause of the act and also to assist officers of the Government in the administration of the entire law. An examination of the law and an understanding of the nature of the facts which should be considered in discharging the functions imposed upon the Executive show that I have the power to direct the tariff board to make a comprehensive glossary and encyclopedia of the terms used and articles embraced in the tariff law, and to secure information as to the cost of production of such goods in this country and the cost of their production in foreign countries. I have therefore appointed a tariff board consisting of three members and have directed them to perform all the duties above described. This work will perhaps take two or three years, and I ask from Congress a continuing annual appropriation equal to that already made for its prosecution. I believe that the work of this board will be of prime utility and importance whenever Congress shall deem it wise again to readjust the customs duties. If the facts secured by the tariff board are of such a character as to show generally that the rates of duties imposed by the present tariff law are excessive under the principles of protection as described in the platform of the successful party at the late election, I shall not hesitate to invite the attention of Congress to this fact and to the necessity for action predicated thereon. Nothing, however, halts business and interferes with the course of prosperity so much as the threatened revision of the tariff, and until the facts are at hand, after careful and deliberate investigation, upon which such revision can properly be undertaken, it seems to me unwise to attempt it. The amount of misinformation that creeps into arguments *pro* and *con* in respect to tariff rates is such as to require the kind of investigation that I have directed the tariff board to make, an investigation undertaken by it wholly without respect to the effect which the facts may have in calling for a readjustment of the rates of duty.

WAR DEPARTMENT.

In the interest of immediate economy and because of the prospect of a deficit, I have required a reduction in the estimates of the War Department for the coming fiscal year, which brings the total estimates down to an amount forty-five millions less than the corresponding estimates for last year. This could only be accomplished by cutting off new projects and suspending for the period of one year all progress in military matters. For the same reason I have directed that the Army shall not be recruited up to its present authorized strength. These measures can hardly be more than temporary—to last until our revenues are in better condition and until the whole question of the expediency of adopting a definite military policy can be submitted to Congress, for I am sure that the interests of the military establishment are seriously in need of careful consideration by Congress. The laws regulating the organization of our armed forces in the event of war need to be revised in order that the organization can be modified so as to produce a force which would be more consistently apportioned throughout its numerous branches. To explain the circumstances upon which this opinion is based would necessitate a lengthy discussion, and I postpone it until the first convenient opportunity shall arise to send to Congress a special message upon this subject.

The Secretary of War calls attention to a number of needed changes in the Army in all of which I concur, but the point upon which I place most emphasis is the need for an elimination bill providing a method by which the merits of officers shall have some effect upon their advancement and by which the advancement of all may be accelerated by the effective elimination of a definite proportion of the least efficient. There are in every army, and certainly in ours, a number of officers who do not violate their duty in any such way as to give reason for a court-martial or dismissal, but who do not show such aptitude and skill and character for high command as to justify their remaining in the active service to be promoted. Provision should be made by which they may be retired on a certain proportion of their pay, increasing with their length of service at the time of retirement. There is now a personnel law for the Navy which itself needs amendment and to which I shall make further reference. Such a law is needed quite as much for the Army.

The coast defenses of the United States proper are generally all that could be desired, and in some respects they are rather more elaborate than under present conditions are needed to stop an enemy's fleet from entering the harbors defended. There is, however, one place where additional defense is badly needed, and that is at the mouth of Chesapeake Bay, where it is proposed to make an artificial island for a fort which shall prevent an enemy's fleet from entering this most important strategical base of operations on the whole Atlantic and Gulf coasts. I hope that appropriate legislation will be adopted to secure the construction of this defense.

The military and naval joint board have unanimously agreed that it would be unwise to make the large expenditures which at one time were contemplated in the establishment of a naval base and station in the Philippine Islands, and have expressed their judgment, in which I fully concur, in favor of making an extensive naval base at Pearl Harbor, near Honolulu, and not in the Philippines. This does not dispense with the necessity for the comparatively small appropriations required to finish the proper coast defenses in the Philippines now under construction on the island of Corregidor and elsewhere or to complete a suitable repair station and coaling supply station at Olongapo, where is the floating dock "Dewey." I hope that this recommendation of the joint board will end the discussion as to the comparative merits of Manila Bay and Olongapo as naval stations, and will lead to prompt measures for the proper equipment and defense of Pearl Harbor.

THE NAVY.

The return of the battle-ship fleet from its voyage around the world, in more efficient condition than when it started, was a noteworthy event of interest alike to our citizens and the naval authorities of the world. Besides the beneficial and far-reaching effect on our personal and diplomatic relations in the countries which the fleet visited, the marked success of the ships in steaming around the world in all weathers on schedule time has increased respect for our Navy and has added to our national prestige.

Our enlisted personnel recruited from all sections of the country is young and energetic and representative of the national spirit. It is, moreover, owing to its intelligence, capable of quick training into the modern man-of-warsman. Our officers are earnest and zealous in their profession, but it is a regrettable fact that the higher officers are old for the responsibilities of the modern navy, and the admirals do not arrive at flag rank young enough to obtain adequate training in their duties as flag officers. This need for reform in the Navy has been ably and earnestly presented to Congress by my predecessor, and I also urgently recommend the subject for consideration.

Early in the coming session a comprehensive plan for the reorganization of the officers of all corps of the Navy will be presented to Congress, and I hope it will meet with action suited to its urgency.

Owing to the necessity for economy in expenditures, I have directed the curtailment of recommendations for naval appropriations so that they are thirty-eight millions less than the corresponding estimates of last year, and the request for new naval construction is limited to two first-class battle ships and one repair vessel.

The use of a navy is for military purposes, and there has been found need in the Department of a military branch dealing directly with the military use of the fleet. The Secretary of the Navy has also felt the lack of responsible advisers to aid him in reaching conclusions and deciding important matters between coordinate branches of the Department. To secure these results he has inaugurated a tentative plan involving certain changes in the organization of the Navy Department, including the navy-yards, all of which have been found by the Attorney-General to be in accordance with law. I have approved the execution of the plan proposed because of the greater efficiency and economy it promises.

The generosity of Congress has provided in the present Naval Observatory the most magnificent and expensive astronomical establishment in the world. It is being used for certain naval purposes which might easily and adequately be subserved by a small division connected with the Naval Department at only a fraction of the cost of the present Naval Observatory. The official Board of Visitors established by Congress and appointed in 1901 expressed its conclusion that the official head of the observatory should be an eminent astronomer appointed by the President by and with the advice and consent of the Senate, holding his place by a tenure at least as permanent as that of the Superintendent of the Coast Survey or the head of the Geological Survey, and not merely by a detail of two or three years' duration. I fully concur in this judgment, and urge a provision by law for the appointment of such a director.

It may not be necessary to take the observatory out of the Navy Department and put it into another department in which opportunity for scientific research afforded by the observatory would seem to be more appropriate, though I believe such a transfer in the long run is the best policy. I am sure, however, I express the desire of the astronomers and those learned in the kindred sciences when I urge upon Congress that the Naval Observatory be now dedicated to science under control of a man of science who can, if need be, render all the service to the Navy Department which this observatory now renders, and still furnish to the world the discoveries in astronomy that a great astronomer using such a plant would be likely to make.

DEPARTMENT OF JUSTICE.

EXPEDITION IN LEGAL PROCEDURE

The deplorable delays in the administration of civil and criminal law have received the attention of committees of the American Bar Association and of many State Bar Associations, as well as the considered thought of judges and jurists. In my judgment, a change in judicial procedure, with a view to reducing its expense to private litigants in civil cases and facilitating the dispatch of business and final decision in both civil and criminal cases, constitutes the greatest need in our American institutions. I do not doubt for one moment that much of the lawless violence and cruelty exhibited in lynchings is directly due to the uncertainties and injustice growing out of the delays in trials, judgments, and the executions thereof by our courts. Of course these remarks apply quite as well to the administration of justice in State courts as to that in Federal courts, and without making invidious distinction it is perhaps not too much to say that, speaking generally, the defects are less in the Federal courts than in the State courts. But they are very great in the Federal courts. The expedition with which business is disposed of both on the civil and the criminal side of English courts under modern rules of procedure makes the delays in our courts seem archaic and barbarous. The procedure in the Federal courts should furnish an example for the State courts. I presume it is impossible, without an amendment to the Constitution, to unite under one form of action the proceedings at common law and proceedings in equity in the Federal courts, but it is certainly not impossible by a statute to simplify and make short and direct the procedure both at law and in equity in those courts. It is not impossible to cut down still more than it is cut down, the jurisdiction of the Supreme Court so as to confine it almost wholly to statutory and constitutional questions. Under the present statutes the equity and admiralty procedure in the Federal courts is under the control of the Supreme Court, but in the pressure of business to which that court is subjected, it is impossible to hope that a radical and proper reform of the Federal equity procedure can be brought about. I therefore recommend legislation providing for the appointment by the President of a commission with authority to examine the law and equity procedure of the Federal courts of first instance, the law of appeals from those courts to the courts of appeals and to the Supreme Court, and the costs imposed in such procedure upon the private litigants and upon the public treasury and make recommendation with a view to simplifying and expediting the procedure as far as possible and making it as inexpensive as may be to the litigant of little means.

INJUNCTIONS WITHOUT NOTICE.

The platform of the successful party in the last election contained the following:

"The Republican party will uphold at all times the authority and integrity of the courts, State and Federal, and will ever insist that their powers to enforce their process and to protect life, liberty, and property shall be preserved inviolate. We believe, however, that the rules of procedure in the Federal courts with respect to the issuance of the writ of injunction should be more accurately defined by statute, and that no injunction or temporary restraining order should be issued without notice, except where irreparable injury would result from delay, in which case a speedy hearing thereafter should be granted."

I recommend that in compliance with the promise thus made, appropriate legislation be adopted. The ends of justice will best be met and the chief cause of complaint against ill-considered injunctions without notice will be removed by the enactment of a statute forbidding hereafter the issuing of any injunction or restraining order, whether temporary or permanent, by any Federal court, without previous notice and a reasonable opportunity to be heard on behalf of the parties to be enjoined; unless it shall appear to the satisfaction of the court that the delay necessary to give such notice and hearing would result in irreparable injury to the complainant and unless also the court shall from the evidence make a written finding, which shall be spread upon the court minutes, that immediate and irreparable injury is likely to ensue to the complainant, and shall define the injury, state why it is irreparable, and shall also endorse on the order issued the date and the hour of the issuance of the order. Moreover, every such injunction or restraining order issued without previous notice and opportunity by the defendant to be heard should by force of the statute expire and be of no effect after seven days from the issuance thereof or within any time less than that period which the court may fix, unless within such seven days or such less period, the injunction or order is extended or renewed after previous notice and opportunity to be heard.

My judgment is that the passage of such an act which really embodies the best practice in equity and is very like the rule now in force in some courts will prevent the issuing of ill-advised orders of injunction without notice and will render such orders when issued much less objectionable by the short time in which they may remain effective.

ANTI-TRUST AND INTERSTATE COMMERCE LAWS.

The jurisdiction of the General Government over interstate commerce has led to the passage of the so-called "Sherman Anti-trust Law" and the "Interstate Commerce Law" and its amendments. The developments in the operation of those laws, as shown by indictments, trials, judicial decisions, and other sources of information, call for a discussion and some suggestions as to amendments.

These I prefer to embody in a special message instead of including them in the present communication, and I shall avail myself of the first convenient opportunity to bring these subjects to the attention of Congress.

JAIL OF THE DISTRICT OF COLUMBIA.

My predecessor transmitted to the Congress a special message on January 11, 1909, accompanying the report of Commissioners theretofore appointed to investigate the jail, workhouse, etc., in the District of Columbia, in which he directed attention to the report as setting forth vividly, "the really outrageous conditions in the workhouse and jail."

The Congress has taken action in pursuance of the recommendations of that report and of the President, to the extent of appropriating funds and enacting the necessary legislation for the establishment of a workhouse and reformatory. No action, however, has been taken by the Congress with respect to the jail, the conditions of which are still antiquated and insanitary. I earnestly recommend the passage of a sufficient appropriation to enable a thorough remodeling of that institution to be made without delay. It is a reproach to the National Government that almost under the shadow of the Capitol Dome prisoners should be confined in a building destitute of the ordinary decent appliances requisite to cleanliness and sanitary conditions.

POST-OFFICE DEPARTMENT.

SECOND-CLASS MAIL MATTER.

The deficit every year in the Post-Office Department is largely caused by the low rate of postage of 1 cent a pound charged on second-class mail matter, which includes not only newspapers, but magazines and miscellaneous periodicals. The actual loss growing out of the transmission of this second-class mail matter at 1 cent a pound amounts to about $63,000,000 a year. The average cost of the transportation of this matter is more than 9 cents a pound.

It appears that the average distance over which newspapers are delivered to their customers is 291 miles, while the average haul of magazines is 1,049, and of miscellaneous periodicals 1,128 miles. Thus, the average haul of the magazine is three and one-half times and that of the miscellaneous periodical nearly four times the haul of the daily newspaper, yet all of them pay the same postage rate of 1 cent a pound. The statistics of 1907 show that second-class mail matter constituted 63.91 per cent. of the weight of all the mail, and yielded only 5.19 per cent. of the revenue.

The figures given are startling, and show the payment by the Government of an enormous subsidy to the newspapers, magazines, and periodicals, and Congress may well consider whether radical steps should not be taken to reduce the deficit in the Post-Office Department caused by this discrepancy between the actual cost of transportation and the compensation exacted therefor.

A great saving might be made, amounting to much more than half of the loss, by imposing upon magazines and periodicals a higher rate of postage. They are much heavier than newspapers, and contain a much higher proportion of advertising to reading matter, and the average distance of their transportation is three and a half times as great.

The total deficit for the last fiscal year in the Post-Office Department amounted to $17,500,000. The branches of its business which it did at a loss were the second-class mail service, in which the loss, as already said, was $63,000,000, and the free rural delivery, in which the loss was $28,000,000. These losses were in part offset by the profits of the letter postage and other sources of income. It would seem wise to reduce the loss upon second-class mail matter, at least to the extent of preventing a deficit in the total operations of the Post-Office.

I commend the whole subject to Congress, not unmindful of the spread of intelligence which a low charge for carrying newspapers and periodicals assists. I very much doubt, however, the wisdom of a policy which constitutes so large a subsidy and requires additional taxation to meet it.

POSTAL SAVINGS BANKS.

The second subject worthy of mention in the Post-Office Department is the real necessity and entire practicability of establishing postal savings banks. The successful party at the last election declared in favor of postal savings banks, and although the proposition finds opponents in many parts of the country, I am convinced that the people desire such banks, and am sure that when the banks are furnished they will be productive of the utmost good. The postal savings banks are not constituted for the purpose of creating competition with other banks. The rate of interest upon deposits to which they would be limited would be so small as to prevent their drawing deposits away from other banks.

I believe them to be necessary in order to offer a proper inducement to thrift and saving to a great many people of small means who do not now have banking facilities, and to whom such a system would offer an opportunity for the accumulation of capital. They will furnish a satisfactory substitute, based on sound principle and actual successful trial in nearly all the countries of the world, for the system of government guaranty of deposits now being adopted in several western States, which with deference to those who advocate it seems to me to have in it the seeds of demoralization to conservative banking and certain financial disaster.

The question of how the money deposited in postal savings banks shall be invested is not free from difficulty, but I believe that a satisfactory provision for this purpose was inserted as an amendment to the bill considered by the Senate at its last session. It has been proposed to delay the consideration of legislation establishing a postal savings bank until after the report of the Monetary Commission. This report is likely to be delayed, and properly so, because of the necessity for careful deliberation and close investigation. I do not see why the one should be tied up with the other. It is understood that the Monetary Commission have looked into the systems of banking which now prevail abroad, and have found that by a control there exercised in respect to reserves and the rates of exchange by some central authority panics are avoided. It is not apparent that a system of postal savings banks would in any way interfere with a change to such a system here. Certainly in most of the countries of Europe where control is thus exercised by a central authority, postal savings banks exist and are not thought to be inconsistent with a proper financial and banking system.

SHIP SUBSIDY.

Following the course of my distinguished predecessor, I earnestly recommend to Congress the consideration and passage of a ship subsidy bill, looking to the establishment of lines between our Atlantic seaboard and the eastern coast of South America, as well as lines from the west coast of the United States to South America. China, Japan, and the Philippines. The profits on foreign mails are perhaps a sufficient measure of the expenditures which might first be tentatively applied to this method of inducing American capital to undertake the establishment of American lines of steamships in those directions in which we now feel it most important that we should have means of transportation controlled in the interest of the expansion of our trade. A bill of this character has once passed the House and more than once passed the Senate, and I hope that at this session a bill framed on the same lines and with the same purposes may become a law.

INTERIOR DEPARTMENT.

NEW MEXICO AND ARIZONA.

The successful party in the last election in its national platform declared in favor of the admission as separate States of New Mexico and Arizona, and I recommend that legislation appropriate to this end be adopted. I urge, however, that care be exercised in the preparation of the legislation affecting each Territory to secure deliberation in the selection of persons as members of the convention to draft a constitution for the incoming State, and I earnestly advise that such constitution after adoption by the convention shall be submitted to the people of the Territory for their approval at an election in which the sole issue shall be the merits of the proposed constitution, and if the constitution is defeated by popular vote means shall be provided in the enabling act for a new convention and the drafting of a new constitution. I think it vital that the issue as to the merits of the constitution should not be mixed up with the selection of State officers, and that no election of State officers should be had until after the constitution has been fully approved and finally settled upon.

ALASKA.

With respect to the Territory of Alaska, I recommend legislation which shall provide for the appointment by the President of a governor and also of an executive council, the members of which shall during their term of office reside in the Territory, and which shall have legislative powers sufficient to enable it to give to the Territory local laws adapted to its present growth. I strongly deprecate legislation looking to the election of a Territorial legislature in that vast district. The lack of permanence of residence of a large part of the present population and the small number of the people who either permanently or temporarily reside in the district as compared with its vast expanse and the variety of the interests that have to be subserved, make it altogether unfitting in my judgment to provide for a popular election of a legislative body. The present system is not adequate and does not furnish the character of local control that ought to be there. The only compromise it seems to me which may give needed local legislation and secure a conservative government is the one I propose.

CONSERVATION OF NATIONAL RESOURCES.

In several Departments there is presented the necessity for legislation looking to the further conservation of our national resources, and the subject is one of such importance as to require a more detailed and extended discussion than can be entered upon in this communication. For that reason I shall take an early opportunity to send a special message to Congress on the subject of the improvement of our waterways, upon the reclamation and irrigation of arid, semiarid, and swamp lands; upon the preservation of our forests and the reforesting of suitable areas; upon the reclassification of the public domain with a view of separating from agricultural settlement mineral, coal, and phosphate lands and sites belonging to the Government bordering on streams suitable for the utilization of water power.

DEPARTMENT OF AGRICULTURE.

I commend to your careful consideration the report of the Secretary of Agriculture as showing the immense sphere of usefulness which that Department now fills and the wonderful addition to the wealth of the nation made by the farmers of this country in the crops of the current year.

DEPARTMENT OF COMMERCE AND LABOR.

THE LIGHT-HOUSE BOARD.

The Light-House Board now discharges its duties under the Department of Commerce and Labor. For upwards of forty years this Board has been constituted of military and naval officers and two or three men of science, with such an absence of a duly constituted executive head that it is marvelous what work has been accomplished. In the period of construction the energy and enthusiasm of all the members prevented the inherent defects of the system from interfering greatly with the beneficial work of the Board, but now that the work is chiefly confined to maintenance and repair, for which purpose the country is divided into sixteen districts, to which are assigned an engineer officer of the Army and an inspector of the Navy, each with a light-house tender and the needed plant for his work, it has become apparent by the frequent friction that arises, due to the absence of any central independent authority, that there must be a complete reorganization of the Board. I concede the advantage of keeping in the system the rigidity of discipline that the presence of naval and military officers in charge insures, but unless the presence of such officers in the Board can be made consistent with a responsible executive head that shall have proper authority, I recommend the transfer of control over the light-houses to a suitable civilian bureau. This is in accordance with the judgment of competent persons who are familiar with the workings of the present system. I am confident that a reorganization can be effected which shall avoid the recurrence of friction between members, instances of which have been officially brought to my attention, and that by such reorganization greater efficiency and a substantial reduction in the expense of operation can be brought about.

CONSOLIDATION OF BUREAUS.

I request Congressional authority to enable the Secretary of Commerce and Labor to unite the Bureaus of Manufactures and Statistics. This was recommended by a competent committee appointed in the previous administration for the purpose of suggesting changes in the interest of economy and efficiency, and is requested by the Secretary.

THE WHITE SLAVE TRADE.

I greatly regret to have to say that the investigations made in the Bureau of Immigration and other sources of information lead to the view that there is urgent necessity for additional legislation and greater executive activity to suppress the recruiting of the ranks of prostitutes from the streams of immigration into this country—an evil which, for want of a better name, has been called "The White Slave Trade." I believe it to be constitutional to forbid, under penalty, the transportation of persons for purposes of prostitution across national and state lines; and by appropriating a fund of $50,000 to be used by the Secretary of Commerce and Labor for the employment of special inspectors it will be possible to bring those responsible for this trade to indictment and conviction under a federal law.

BUREAU OF HEALTH.

For a very considerable period a movement has been gathering strength, especially among the members of the medical profession, in favor of a concentration of the instruments of the National Government which have to do with the promotion of public health. In the nature of things, the Medical Department of the Army and the Medical Department of the Navy must be kept separate. But there seems to be no reason why all the other bureaus and offices in the General Government which have to do with the public health or subjects akin thereto should not be united in a bureau to be called the "Bureau of Public Health." This would necessitate the transfer of the Marine-Hospital Service to such a bureau. I am aware that there is wide field in respect to the public health committed to the States in which the Federal Government can not exercise jurisdiction, but we have seen in the Agricultural Department the expansion into widest usefulness of a department giving attention to agriculture when that subject is plainly one over which the States properly exercise direct jurisdiction. The opportunities offered for useful research and the spread of useful information in regard to the cultivation of the soil and the breeding of stock and the solution of many of the intricate problems in progressive agriculture have demonstrated the wisdom of establishing that department. Similar reasons, of equal force, can be given for the establishment of a bureau of health that shall not only exercise the police jurisdiction of the Federal Government respecting quarantine, but which shall also afford an opportunity for investigation and research by competent experts into questions of health affecting the whole country, or important sections thereof, questions which, in the absence of Federal governmental work, are not likely to be promptly solved.

CIVIL SERVICE COMMISSION.

The work of the United States Civil Service Commission has been performed to the general satisfaction of the executive officers with whom the Commission has been brought into official communication. The volume of that work and its variety and extent have under new laws, such as the Census Act, and new Executive orders, greatly increased. The activities of the Commission required by the statutes have reached to every portion of the public domain.

The accommodations of the Commission are most inadequate for its needs. I call your attention to its request for increase in those accommodations as will appear from the annual report for this year.

POLITICAL CONTRIBUTIONS.

I urgently recommend to Congress that a law be passed requiring that candidates in elections of Members of the House of Representatives, and committees in charge of their candidacy and campaign, file in a proper office of the United States Government a statement of the contributions received and of the expenditures incurred in the campaign for such elections and that similar legislation be enacted in respect to all other elections which are constitutionally within the control of Congress

FREEDMAN'S SAVINGS AND TRUST COMPANY.

Recommendations have been made by my predecessors that Congress appropriate a sufficient sum to pay the balance—about 38 per cent.—of the amounts düe depositors in the Freedman's Savings and Trust Company. I renew this recommendation, and advise also that a proper limitation be prescribed fixing a period within which the claims may be presented, that assigned claims be not recognized, and that a limit be imposed on the amount of fees collectible for services in presenting such claims.

SEMI-CENTENNIAL OF NEGRO FREEDOM.

The year 1913 will mark the fiftieth anniversary of the issuance of the Emancipation Proclamation granting freedom to the negroes.

It seems fitting that this event should be properly celebrated. Already a movement has been started by prominent negroes, encouraged by prominent white people and the press. The South especially is manifesting its interest in this movement.

It is suggested that a proper form of celebration would be an exposition to show the progress the negroes have made, not only during their period of freedom, but also from the time of their coming to this country.

I heartily indorse this proposal, and request that the Executive be authorized to appoint a preliminary commission of not more than seven persons to consider carefully whether or not it is wise to hold such an exposition, and if so, to outline a plan for the enterprise. I further recommend that such preliminary commission serve without salary, except as to their actual expenses, and that an appropriation be made to meet such expenses.

CONCLUSION.

I have thus, in a message compressed as much as the subjects will permit, referred to many of the legislative needs of the country, with the exceptions already noted. Speaking generally, the country is in a high state of prosperity. There is every reason to believe that we are on the eve of a substantial business expansion, and we have just garnered a harvest unexampled in the market value of our agricultural products. The high prices which such products bring mean great prosperity for the farming community, but on the other hand they mean a very considerably increased burden upon those classes in the community whose yearly compensation does not expand with the improvement in business and the general prosperity. Various reasons are given for the high prices. The proportionate increase in the output of gold, which to-day is the chief medium of exchange and is in some respects a measure of value, furnishes a substantial explanation of at least a part of the increase in prices. The increase in population and the more expensive mode of living of the people, which have not been accompanied by a proportionate increase in acreage production, may furnish a further reason. It is well to note that the increase in the cost of living is not confined to this country, but prevails the world over, and that those who would charge increases in prices to the existing protective tariff must meet the fact that the rise in prices has taken place almost wholly in those products of the factory and farm in respect to which there has been either no increase in the tariff or in many instances a very considerable reduction.

WILLIAM H. TAFT.

SPECIAL MESSAGE.

THE WHITE HOUSE, *January 7, 1910.*

To the Senate and House of Representatives:

I withheld from my annual message a discussion of needed legislation under the authority which Congress has to regulate commerce between the States and with foreign countries and said that I would bring this subject-matter to your attention later in the session. Accordingly, I beg to submit to you certain recommendations as to the amendments to the interstate-commerce law and certain considerations arising out of the operations of the antitrust law suggesting the wisdom of federal incorporation of industrial companies.

INTERSTATE-COMMERCE LAW.

In the annual report of the Interstate Commerce Commission for the year 1908 attention is called to the fact that between July 1, 1908, and the close of that year sixteen suits had been begun to set aside orders of the commission (besides one commenced before that date), and that few orders of much consequence had been permitted to go without protest; that the questions presented by these various suits were fundamental, as the constitutionality of the act itself was in issue, and the right of Congress to delegate to any tribunal authority to establish an interstate rate was denied; but that perhaps the most serious practical question raised concerned the extent of the right of the courts to review the orders of the commission; and it was pointed out that if the contention of the carriers in this latter respect alone were sustained, but little progress had been made in the Hepburn Act toward the effective regulation of interstate transportation charges. In twelve of the cases referred to, it was stated, preliminary injunctions were prayed for, being granted in six and refused in six.

"It has from the first been well understood," says the commission, "that the success of the present act as a regulating measure depended largely upon the facility with which temporary injunctions could be obtained. If a railroad company, by mere allegation in its bill of complaint, supported by ex parte affidavits, can overturn the result of days of patient investigation, no very satisfactory result can be expected. The railroad loses nothing by these proceedings, since if they fail it can only be required to establish the rate and to pay to shippers the difference between the higher rate collected and the rate which is finally held to be reasonable. In point of fact it usually profits, because it can seldom be required to return more than a fraction of the excess charges collected."

In its report for the year 1909, the commission shows that of the seventeen cases referred to in its 1908 report, only one had been decided in the Supreme Court of the United States, although five other cases had been argued and submitted to that tribunal in October, 1909.

Of course, every carrier affected by an order of the commission has a constitutional right to appeal to a federal court to protect it from the enforcement of an order which it may show to be *prima facie* confiscatory or unjustly discriminatory in its effect; and as this application may be made to a court in any district of the United States, not only does delay result in the enforcement of the order, but great uncertainty is caused by contrariety of decision. The questions presented by these applications are too often technical in their character and require a knowledge of the business and the mastery of a great volume of conflicting evidence which is tedious to examine and troublesome to comprehend. It would not be proper to attempt to deprive any corporation of the right to the review by a court of any order or decree which, if undisturbed, would rob it of a reasonable return upon its investment or would subject it to burdens which would unjustly discriminate against it and in favor of other carriers similarly situated. What is, however, of supreme importance is that the decision of such questions shall be as speedy as the nature of the circumstances will admit, and that a uniformity of decision be secured so as to bring about an effective, systematic, and scientific enforcement of the commerce law, rather than conflicting decisions and uncertainty of final result.

For this purpose I recommend the establishment of a court of the United States composed of five judges designated for such purpose from among the circuit judges of the United States, to be known as the "United States Court of Commerce," which court shall be clothed with exclusive original jurisdiction over the following classes of cases:

(1) All cases for the enforcement, otherwise than by adjudication and collection of a forfeiture or penalty, or by infliction of criminal punishment, of any order of the Interstate Commerce Commission other than for the payment of money.

(2) All cases brought to enjoin, set aside, annul or suspend any order or requirement of the Interstate Commerce Commission.

(3) All such cases as under section 3 of the act of February 19, 1903, known as the "Elkins Act," are authorized to be maintained in a circuit court of the United States.

(4) All such mandamus proceedings as under the provisions of section 20 or section 23 of the interstate commerce law are authorized to be maintained in a circuit court of the United States.

Reasons precisely analogous to those which induced the Congress to create the Court of Customs Appeals by the provisions in the tariff act of August 5, 1909, may be urged in support of the creation of the Commerce Court.

In order to provide a sufficient number of judges to enable this court to be constituted, it will be necessary to authorize the appointment of five additional circuit judges, who, for the purposes of appointment, might be distributed to those circuits where there is at the present time the largest volume of business, such as the second, third, fourth, seventh, and eighth circuits. The act should empower the Chief Justice at any time when the business of the Court of Commerce does not require the services of all the judges to reassign the judges designated to that court to the circuits to which they respectively belong; and it should also provide for payment to such judges while sitting by assignment in the Court of Commerce of such additional amount as is necessary to bring their annual compensation up to $10,000.

The regular sessions of such court should be held at the capital, but it should be empowered to hold sessions in different parts of the United States if found desirable; and its orders and judgments should be made final, subject only to review by the Supreme Court of the United States, with the provision that the operation of the decree appealed from shall not be stayed unless the Supreme Court shall so order. The Commerce Court should be empowered in its discretion to restrain or suspend the operation of an order of the Interstate Commerce Commission under review pending the final hearing and determination of the proceeding, but no such restraining order should be made except upon notice and after hearing, unless in cases where irreparable damage would otherwise ensue to the petitioner. A judge of that court might be empowered to allow a stay of the commission's order for a period of not more than sixty days, but pending application to the court for its order or injunction, then only where his order shall contain a specific finding based upon evidence submitted to the judge making the order and identified by reference thereto, that such irreparable damage would result to the petitioner, specifying the nature of the damage.

Under the existing law, the Interstate Commerce Commission itself initiates and defends litigation in the courts for the enforcement, or in the defense, of its orders and decrees, and for this purpose it employs attorneys who, while subject to the control of the Attorney-General, act upon the initiative and under the instructions of the commission. This blending of administrative, legislative, and judicial functions tends, in my opinion, to impair the efficiency of the commission by clothing it with partisan characteristics and robbing it of the impartial judicial attitude it should occupy in passing upon questions submitted to it. In my opinion all litigation affecting the Government should be under the direct control of the Department of Justice; and I, therefore, recommend that all proceedings affecting orders and decrees of the Interstate Commerce Commission be brought by or against the United States *co nomine,* and be placed in charge of an Assistant Attorney-General acting under the direction of the Attorney-General.

The subject of agreements between carriers with respect to rates has been often discussed in Congress. Pooling arrangements and agreements were condemned by the general sentiment of the people, and, under the Sherman antitrust law, any agreement between carriers operating in restraint of interstate or international trade or commerce would be unlawful. The Republican platform of 1908 expressed the belief that the interstate-commerce law should be further amended so as to give the railroads the right to make and publish traffic agreements subject to the approval of the commission, but maintaining always the principle of competition between naturally competing lines and avoiding the common control of such lines by any means whatsoever. In view of the complete control over rate-making and other practices of interstate carriers established by the acts of Congress and as recommended in this communication, I see no reason why agreements between carriers subject to the act, specifying the classifications of freight and the rates, fares, and charges for transportation of passengers and freight which they may agree to establish, should not be permitted, provided, copies of such agreements be promptly filed with the commission, but subject to all the provisions of the interstate-commerce act, subject to the right of any parties to such agreement to cancel it as to all or any of the agreed rates, fares, charges, or classifications by thirty days' notice in writing to the other parties and to the commission.

Much complaint is made by shippers over the state of the law under which they are held bound to know the legal rate applicable to any proposed shipment, without, as a matter of fact, having any certain means of actually ascertaining such rate. It has been suggested that to meet this grievance carriers should be required, upon application by a shipper, to quote the legal rate in writing, and that the shipper should be protected in acting upon the rate thus quoted; but the objection to this suggestion is that it would afford a much too easy method of giving to favored shippers unreasonable preferences and rebates. I think that the law should provide that a carrier, upon written request by an intending shipper, should quote in writing the rate or charge applicable to the proposed shipment under any schedules or tariffs to which such carrier is a party, and that if the party making such request shall suffer damage in consequence of either refusal or omission to quote the proper rate, or in consequence of a misstatement of the rate, the carrier shall be liable to a penalty in some reasonable amount, say two hundred and fifty dollars, to accrue to the United States and to be recovered in a civil action brought by the appropriate district attorney. Such a penalty would compel the agent of the carrier to exercise due diligence in quoting the applicable legal rate, and would thus afford the shipper a real measure of protection, while not opening the way to collusion and the giving of rebates or other unfair discrimination.

Under the existing law the commission can only act with respect to an alleged excessive rate or unduly discriminatory practice by a carrier on a complaint made by some individual affected thereby. I see no reason why the commission should not be authorized to act on its own initiative as well as upon the complaint of an individual in investigating the fairness of any existing rate or practice; and I recommend the amendment of the law to so provide; and also that the commission shall be fully empowered, beyond any question, to pass upon the classifications of commodities for purposes of fixing rates, in like manner as it may now do with respect to the maximum rate applicable to any transportation.

Under the existing law the commission may not investigate an increase in rates until after it shall have become effective; and although one or more carriers may file with the commission a proposed increase in rates or change in classifications, or other alteration of the existing rates or classifications, to become effective at the expiration of thirty days from such filing, no proceeding can be taken to investigate the reasonableness of such proposed change until after it becomes operative. On the other hand, if the commission shall make an order finding that an existing rate is excessive and directing it to be reduced, the carrier affected may by proceedings in the courts stay the operation of such order of reduction for months and even years. It has, therefore, been suggested that the commission should be empowered, whenever a proposed increase in rates is filed, at once to enter upon an investigation of the reasonableness of the increase and to make an order postponing the effective date of such increase until after such investigation shall be completed. To this much objection has been made on the part of carriers. They contend that this would be, in effect, to take from the owners of the railroads the management of their properties and to clothe the Interstate Commerce Commission with the original rate-making power—a policy which was much discussed at the time of the passage of the Hepburn Act in 1905–6, and which was then and has always been distinctly rejected; and in reply to the suggestion that they are able by resorting to the courts to stay the taking effect of the order of the commission until its reasonableness shall have been investigated by the courts, whereas the people are deprived of any such remedy with respect to action by the carriers, they point to the provision of the interstate-commerce act providing for restitution to the shippers by carriers of excessive rates charged in cases where the order of the commission reducing such rates are affirmed. It may be doubted how effective this remedy really is. Experience has shown that many, perhaps, most, shippers do not resort to proceedings to recover the excessive rates which they may have been required to pay, for the simple reason that they have added the rates paid to the cost of the goods and thus enhanced the price thereof to their customers, and that the public has in effect paid the bill. On the other hand, the enormous volume of transportation charges, the great number of separate tariffs filed annually with the Interstate Commerce Commission, amounting to almost 200,000, and the impossibility of any commission supervising the making of tariffs in advance of their becoming effective on every transportation line within the United States to the extent that would be necessary if their active concurrence were required in the making of every tariff, has satisfied me that this power, if granted, should be conferred in a very limited and restricted form. I, therefore, recommend that the Interstate Commerce Commission be empowered whenever any proposed increase of rates is filed, at once, either on complaint or of its own motion, to enter upon an investigation into the reasonableness of such change, and that it be further empowered, in its discretion, to postpone the effective date of such proposed increase for a period not exceeding sixty days beyond the date when such rate would take effect. If within this time it shall determine that such increase is unreasonable, it may then, by its order, either forbid the increase at all or fix the maximum beyond which it shall not be made. If, on the other hand, at the expiration of this time, the commission shall not have completed its investigation, then the rate shall take effect precisely as it would under the existing law, and the commission may continue its investigation with such results as might be realized under the law as it now stands.

The claim is very earnestly advanced by some large associations of shippers that shippers of freight should be empowered to direct the route over which their shipments should pass to destination, and in this connection it has been urged that the provisions of section 15 of the interstate-commerce act, which now empowers the commission, after hearing on complaint, to establish through routes and maximum joint rates to be charged, etc., when no reasonable or satisfactory through route shall have been already established, be amended so as to empower the commission to take such action, even when one existing reasonable and satisfactory route already exists, if it be possible to establish additional routes. This seems to me to be a reasonable provision. I know of no reason why a shipper should not have the right to elect between two or more established through routes to which the initial carrier may be a party, and to require his shipment to be transported to destination over such of such routes as he may designate for that purpose, subject, however, in the exercise of this right to such reasonable regulations as the Interstate Commerce Commission may prescribe.

The Republican platform of 1908 declared in favor of amending the interstate-commerce law, but so as always to maintain the principle of competition between naturally competing lines, and avoiding the common control of such lines by any means whatsover. One of the most potent means of exercising such control has been through the holding of stock of one railroad company by another company owning a competing line. This condition has grown up under express legislative power conferred by the laws of many States, and to attempt now to suddenly reverse that policy so far as it affects the ownership of stocks heretofore so acquired, would be to inflict a grievous injury, not only upon the corporations affected but upon a large body of the investment holding public. I, however, recommend that the law shall be amended so as to provide that from and after the date of its passage no railroad company subject to the interstate-commerce act shall, directly or indirectly, acquire any interests of any kind in capital stock, or purchase or lease any railroad of any other corporation which competes with it respecting business to which the interstate-commerce act applies. But especially for the protection of the minority stockholders in securing to them the best market for their stock I recommend that such prohibition be coupled with a proviso that it shall not operate to prevent any corporation which, at the date of the passage of such act, shall own not less than one-half of the entire issued and outstanding capital stock of any other railroad company, from acquiring all or the remainder of such stock; nor to prohibit any railroad company which at the date of the enactment of the law is operating a railroad of any other corporation under lease, executed for a term of not less than twenty-five years, from acquiring the reversionary ownership of the demised railroad; but that such provisions shall not operate to authorize or validate the acquisition, through stock ownership or otherwise, of a competing line or interest therein in violation of the antitrust or any other law.

The Republican platform of 1908 further declares in favor of such national legislation and supervision as will prevent the future over-issue of stocks and bonds by interstate carriers, and in order to carry out its provisions, I recommend the enactment of a law providing that no railroad corporation subject to the interstate-commerce act shall hereafter for any purpose connected with or relating to any part of its business governed by said act, issue any capital stock without previous or simultaneous payment to it of not less than the par value of such stock, or any bonds or other obligations (except notes maturing not more than one year from the date of their issue), without the previous or simultaneous payment to such corporation of not less than the par value of such bonds, or other obligations, or, if issued at less than their par value, then not without such payment of the reasonable market value of such bonds or obligations as ascertained by the Interstate Commerce Commission; and that no property, services, or other thing than money, shall be taken in payment to such carrier corporation, of the par or other required price of such stock, bond or other obligation, except at the fair value of such property, services or other thing as ascertained by the commission; and that such act shall also contain provisions to prevent the abuse by the improvident or improper issue of notes maturing at a period not exceeding twelve months from date, in such manner as to commit the commission to the approval of a larger amount of stock or bonds in order to retire such notes than should legitimately have been required.

Such act should also provide for the approval by the Interstate Commerce Commission of the amount of stock and bonds to be issued by any railroad company subject to this act upon any reorganization, pursuant to judicial sale or other legal proceedings, in order to prevent the issue of stock and bonds to an amount in excess of the fair value of the property which is the subject of such reorganization.

I believe these suggested modifications in and amendments to the interstate-commerce act would make it a complete and effective measure for securing reasonableness of rates and fairness of practices in the operation of interstate railroad lines, without undue preference to any individual or class over any others; and would prevent the recurrence of many of the practices which have given rise in the past to so much public inconvenience and loss.

By my direction the Attorney-General has drafted a bill to carry out these recommendations, which will be furnished upon request to the appropriate committee whenever it may be desired.

In addition to the foregoing amendments of the interstate-commerce law, the Interstate Commerce Commission should be given the power, after a hearing, to determine upon the uniform construction of those appliances—such as sill steps, ladders, roof hand holds, running boards, and hand brakes on freight cars engaged in interstate commerce—used by the train men in the operation of trains, the defects and lack of uniformity in which are apt to produce accidents and injuries to railway train men. The wonderful reforms effected in the number of switchmen and train men injured by coupling accidents, due to the enforced introduction of safety couplers, is a demonstration of what can be done if railroads are compelled to adopt proper safety appliances.

The question has arisen in the operation of the interstate commerce employer's liability act as to whether suit can be brought against the employer company in any place other than that of its home office. The right to bring the suit under this act should be as easy of enforcement as the right of a private person not in the company's employ to sue on an ordinary claim, and process in such suit should be sufficiently served if upon the station agent of the company upon whom service is authorized to be made to bind the company in ordinary actions arising under state laws. Bills for both the foregoing purposes have been considered by the House of Representatives, and have been passed, and are now before the Interstate Commerce Committee of the Senate. I earnestly urge that they be enacted into law.

ANTITRUST LAW AND FEDERAL INCORPORATION.

There has been a marked tendency in business in this country for forty years last past toward combination of capital and plant in manufacture, sale, and transportation. The moving causes have been several: First, it has rendered possible great economy; second, by a union of former competitors it has reduced the probability of excessive competition; and, third, if the combination has been extensive enough, and certain methods in the treatment of competitors and customers have been adopted, the combiners have secured a monopoly and complete control of prices or rates.

A combination successful in achieving complete control over a particular line of manufacture has frequently been called a "trust." I presume that the derivation of the word is to be explained by the fact that a usual method of carrying out the plan of the combination has been to put the capital and plants of various individuals, firms, or corporations engaged in the same business under the control of trustees.

The increase in the capital of a business for the purpose of reducing the cost of production and effecting economy in the management has become as essential in modern progress as the change from the hand tool to the machine. When, therefore, we come to construe the object of Congress in adopting the so-called "Sherman Anti-Trust Act" in 1890, whereby in the first section every contract, combination in the form of a trust or otherwise, or conspiracy in restraint of interstate or foreign trade or commerce, is condemned as unlawful and made subject to indictment and restraint by injunction; and whereby in the second section every monopoly or attempt to monopolize, and every combination or conspiracy with other persons to monopolize any part of interstate trade or commerce, is denounced as illegal and made subject to similar punishment or restraint, we must infer that the evil aimed at was not the mere bigness of the enterprise, but it was the aggregation of capital and plants with the express or implied intent to restrain interstate or foreign commerce, or to monopolize it in whole or in part.

Monopoly destroys competition utterly, and restraint of the full and free operation of competition has a tendency to restrain commerce and trade. A combination of persons, formerly engaged in trade as partnerships or corporations or otherwise, of course eliminates the competition that existed between them; but the incidental ending of that competition is not to be regarded as necessarily a direct restraint of trade, unless of such an all-embracing character that the intention and effect to restrain trade are apparent from the circumstances, or are expressly declared to be the object of the combination. A mere incidental restraint of trade and competition is not within the inhibition of the act, but it is where the combination or conspiracy or contract is inevitably and directly a substantial restraint of competition, and so a restraint of trade, that the statute is violated.

The second section of the act is a supplement to the first. A direct restraint of trade, such as is condemned in the first section, if successful and used to suppress competition, is one of the commonest methods of securing a trade monopoly, condemned in the second section.

It is possible for the owners of a business of manufacturing and selling useful articles of merchandise so to conduct their business as not to violate the inhibitions of the antitrust law and yet to secure to themselves the benefit of the economies of management and of production due to the concentration under one control of large capital and many plants. If they use no other inducement than the constant low price of their product and its good quality to attract custom, and their business is a profitable one, they violate no law. If their actual competitors are small in comparison with the total capital invested, the prospect of new investments of capital by others in such a profitable business is sufficiently near and potential to restrain them in the prices at which they sell their product. But if they attempt by a use of their preponderating capital and by a sale of their goods temporarily at unduly low prices to drive out of business their competitors, or if they attempt, by exclusive contracts with their patrons and threats of nondealing except upon such contracts, or by other methods of a similar character, to use the largeness of their resources and the extent of their output compared with the total output as a means of compelling custom and frightening off competition, then they disclose a purpose to restrain trade and to establish a monopoly and violate the act.

THE COAL LANDS OF ALASKA

THE COAL FIELDS OF ALASKA

On pages 7915 and 7942, President Taft discusses the acreage, classification, valuation and disposition of the coal deposits in Alaska. This subject has been the target of so much unintelligent but vigorous talking that it is a distinct pleasure to read the President's calm, measured and business-like presentation of the case. His recommendation that the lands be leased by the Federal Government, if adopted, would mark a radical departure from our past policy in the Administration of the public lands. The articles, "Taft, William H., Administration of," "Conservation Commission," and "Land, Public," in the encyclopedic index (volume eleven), cover other phases of the broad subject of Conservation.

The upper panel shows the coal mountains, with the deposits exposed to the air. The center panel, showing the Keystone Canyon, will illustrate President Taft's references to transportation difficulties. The lower view of Sitka shows the present method of conveying supplies in the territory—by pack train.

The object of the antitrust law was to suppress the abuses of business of the kind described. It was not to interfere with a great volume of capital which, concentrated under one organization, reduced the cost of production and made its profits thereby, and took no advantage of its size by methods akin to duress to stifle competition with it.

I wish to make this distinction as emphatic as possible, because I conceive that nothing could happen more destructive to the prosperity of this country than the loss of that great economy in production which has been and will be effected in all manufacturing lines by the employment of large capital under one management. I do not mean to say that there is not a limit beyond which the economy of management by the enlargement of plant ceases; and where this happens and combination continues beyond this point, the very fact shows intent to monopolize and not to economize.

The original purpose of many combinations of capital in this country was not confined to the legitimate and proper object of reducing the cost of production. On the contrary, the history of most trades will show at times a feverish desire to unite by purchase, combination, or otherwise all plants in the country engaged in the manufacture of a particular line of goods. The idea was rife that thereby a monopoly could be effected and a control of prices brought about which would inure to the profit of those engaged in the combination. The path of commerce is strewn with failures of such combinations. Their projectors found that the union of all the plants did not prevent competition, especially where proper economy had not been pursued in the purchase and in the conduct of the business after the aggregation was complete. There were enough, however, of such successful combinations to arouse the fears of good, patriotic men as to the result of a continuance of this movement toward the concentration in the hands of a few of the absolute control of the prices of all manufactured products.

The antitrust statute was passed in 1890 and prosecutions were soon begun under it. In the case of the United States *v.* Knight, known as the " Sugar Trust case," because of the narrow scope of the pleadings, the combination sought to be enjoined was held not to be included within the prohibition of the act, because the averments did not go beyond the mere acquisition of manufacturing plants for the refining of sugar, and did not include that of a direct and intended restraint upon trade and commerce in the sale and delivery of sugar across state boundaries and in foreign trade. The result of the Sugar Trust case was not happy, in that it gave other companies and combinations seeking a similar method of making profit by establishing an absolute control and monopoly in a particular line of manufacture a sense of immunity against prosecutions in the federal jurisdiction; and where that jurisdiction is barred in respect to a business which is necessarily commensurate with the boundaries of the country, no state prosecution is able to supply the needed machinery for adequate restraint or punishment.

Following the Sugar Trust decision, however, there have come along in the slow but certain course of judicial disposition cases involving a construction of the antitrust statute and its application until now they seem to embrace every phase of that law which can be practically presented to the American public and to the Government for action. They show that the antitrust act has a wide scope and applies to many combinations in actual operation, rendering them unlawful and subject to indictment and restraint.

The Supreme Court in several of its decisions has declined to read into the statute the word "unreasonable" before "restraint of trade," on the ground that the statute applies to all restraints and does not intend to leave to the court the discretion to determine what is a reasonable restraint of trade. The expression "restraint of trade" comes from the common law, and at common law there were certain covenants incidental to the carrying out of a main or principal contract which were said to be covenants in partial restraint of trade, and were held to be enforcible because "reasonably" adapted to the performance of the main or principal contract. And under the general language used by the Supreme Court in several cases, it would seem that even such incidental covenants in restraint of interstate trade were within the inhibition of the statute and must be condemned. In order to avoid such a result, I have thought and said that it might be well to amend the statute so as to exclude such covenants from its condemnation. A close examination of the later decisions of the court, however, shows quite clearly in cases presenting the exact question, that such incidental restraints of trade are held not to be within the law and are excluded by the general statement that, to be within the statute, the effect of the restraint upon the trade must be direct and not merely incidental or indirect. The necessity, therefore, for an amendment of the statute so as to exclude these incidental and beneficial covenants in restraint of trade held at common law to be reasonable does not exist.

In some of the opinions of the federal circuit judges there have been intimations, having the effect, if sound, to weaken the force of the statute by including within it absurdly unimportant combinations and arrangements, and suggesting therefore the wisdom of changing its language by limiting its application to serious combinations with intent to restrain competition or control prices. A reading of the opinions of the Supreme Court, however, makes the change unnecessary, for they exclude from the operation of the act contracts affecting interstate trade in but a small and incidental way, and apply the statute only to the real evil aimed at by Congress.

The statute has been on the statute book now for two decades, and the Supreme Court in more than a dozen opinions has construed it in application to various phases of business combinations and in reference to various subjects-matter. It has applied it to the union under one control of two competing interstate railroads, to joint traffic arrangements between several interstate railroads, to private manufacturers engaged in a plain attempt to control prices and suppress competition in a part of the country, including a dozen States, and to many other combinations affecting interstate trade. The value of a statute which is rendered more and more certain in its meaning by a series of decisions of the Supreme Court furnishes a strong reason for leaving the act as it is, to accomplish its useful purpose, even though if it were being newly enacted useful suggestions as to change of phrase might be made.

It is the duty and the purpose of the Executive to direct an investigation by the Department of Justice, through the grand jury or otherwise, into the history, organization, and purposes of all the industrial companies with respect to which there is any reasonable ground for suspicion that they have been organized for a purpose, and are conducting business on a plan which is in violation of the antitrust law. The work is a heavy one, but it is not beyond the power of the Department of Justice, if sufficient funds are furnished, to carry on the investigations and to pay the counsel engaged in the work. But such an investigation and possible prosecution of corporations whose prosperity or destruction affects the comfort not only of stockholders, but of millions of wage-earners, employees, and associated tradesmen must necessarily tend to disturb the confidence of the business community, to dry up the now flowing sources of capital from its places of hoarding, and produce a halt in our present prosperity that will cause suffering and strained circumstances among the innocent many for the faults of the guilty few. The question which I wish in this message to bring clearly to the consideration and discussion of Congress is whether in order to avoid such a possible business danger something can not be done by which these business combinations may be offered a means, without great financial disturbance, of changing the character, organization, and extent of their business into one within the lines of the law under Federal control and supervision, securing compliance with the antitrust statute.

Generally, in the industrial combinations called "trusts," the principal business is the sale of goods in many States and in foreign markets; in other words, the interstate and foreign business far exceeds the business done in any one State. This fact will justify the Federal Government in granting a Federal charter to such a combination to make and sell in interstate and foreign commerce the products of useful manufacture under such limitations as will secure a compliance with the antitrust law. It is possible so to frame a statute that while it offers protection to a Federal company against harmful, vexatious, and unnecessary invasion by the States, it shall subject it to reasonable taxation and control by the States, with respect to its purely local business.

Many people conducting great businesses have cherished a hope and a belief that in some way or other a line may be drawn between "good trusts" and "bad trusts," and that it is possible by amendment to the antitrust law to make a distinction under which good combinations may be permitted to organize, suppress competition, control prices, and do it all legally if only they do not abuse the power by taking too great profit out of the business. They point with force to certain notorious trusts as having grown into power through criminal methods by the use of illegal rebates and plain cheating, and by various acts utterly violative of business honesty or morality, and urge the establishment of some legal line of separation by which "criminal trusts" of this kind can be punished, and they, on the other hand, be permitted under the law to carry on their business. Now the public, and especially the business public, ought to rid themselves of the idea that such a distinction is practicable or can be introduced into the statute. Certainly under the present antitrust law no such distinction exists. It has been proposed, however, that the word "reasonable" should be made a part of the statute, and then that it should be left to the court to say what is a reasonable restraint of trade, what is a reasonable suppression of competition, what is a reasonable monopoly. I venture to think that this is to put into the hands of the court a power impossible to exercise on any consistent principle which will insure the uniformity of decision essential to just judgment. It is to thrust upon the courts a burden that they have no precedents to enable them to carry, and to give them a power approaching the arbitrary, the abuse of which might involve our whole judicial system in disaster.

In considering violations of the antitrust law we ought, of course, not to forget that that law makes unlawful, methods of carrying on business which before its passage were regarded as evidence of business sagacity and success, and that they were denounced in this act not because of their intrinsic immorality, but because of the dangerous results toward which they tended, the concentration of industrial power in the hands of the few, leading to oppression and injustice. In dealing, therefore, with many of the men who have used the methods condemned by the statute for the purpose of maintaining a profitable business, we may well facilitate a change by them in the method of doing business, and enable them to bring it back into the zone of lawfulness without losing to the country the economy of management by which in our domestic trade the cost of production has been materially lessened and in competition with foreign manufacturers our foreign trade has been greatly increased.

Through all our consideration of this grave question, however, we must insist that the suppression of competition, the controlling of prices, and the monopoly or attempt to monopolize in interstate commerce and business, are not only unlawful, but contrary to the public good, and that they must be restrained and punished until ended.

I, therefore, recommend the enactment by Congress of a general law providing for the formation of corporations to engage in trade and commerce among the States and with foreign nations, protecting them from undue interference by the States and regulating their activities, so as to prevent the recurrence, under national auspices, of those abuses which have arisen under state control. Such a law should provide for the issue of stock of such corporations to an amount equal only to the cash paid in on the stock; and if the stock be issued for property, then at a fair valuation, ascertained under approval and supervision of federal authority, after a full and complete disclosure of all the facts pertaining to the value of such property and the interest therein of the persons to whom it is proposed to issue stock in payment of such property. It should subject the real and personal property only of such corporations to the same taxation as is imposed by the States within which it may be situated upon other similar property located therein, and it should require such corporations to file full and complete reports of their operations with the Department of Commerce and Labor at regular intervals. Corporations organized under this act should be prohibited from acquiring and holding stock in other corporations (except for special reasons upon approval by the proper federal authority), thus avoiding the creation, under national auspices, of the holding company with subordinate corporations in different States, which has been such an effective agency in the creation of the great trusts and monopolies.

If the prohibition of the antitrust act against combinations in restraint of trade is to be effectively enforced, it is essential that the National Government shall provide for the creation of national corporations to carry on a legitimate business throughout the United States. The conflicting laws of the different States of the Union with respect to foreign corporations make it difficult, if not impossible, for one corporation to comply with their requirements so as to carry on business in a number of different States.

To the suggestion that this proposal of federal incorporation for industrial combinations is intended to furnish them a refuge in which to continue industrial abuses under federal protection, it should be said that the measure contemplated does not repeal the Sherman antitrust law and is not to be framed so as to permit the doing of the wrongs which it is the purpose of that law to prevent, but only to foster a continuance and advance of the highest industrial efficiency without permitting industrial abuses.

Such a national incorporation law will be opposed, first, by those who believe that trusts should be completely broken up and their property destroyed. It will be opposed, second, by those who doubt the constitutionality of such federal incorporation, and even if it is valid, object to it as too great federal centralization. It will be opposed, third, by those who will insist that a mere voluntary incorporation like this will not attract to its acceptance the worst of the offenders against the antitrust statute and who will, therefore, propose instead of it a system of compulsory licenses for all federal corporations engaged in interstate business.

Let us consider these objections in their order. The Government is now trying to dissolve some of these combinations, and it is not the intention of the Government to desist in the least degree in its effort to end those combinations which are to-day monopolizing the commerce of this country; that where it appears that the acquisition and concentration of property go to the extent of creating a monopoly or of substantially and directly restraining interstate commerce, it is not the intention of the Government to permit this monopoly to exist under federal incorporation or to transfer to the protecting wing of the Federal Government a state corporation now violating the Sherman Act. But it is not, and should not be, the policy of the Government to prevent reasonable concentration of capital which is necessary to the economic development of manufacture, trade, and commerce. This country has shown a power of economical production that has astonished the world, and has enabled us to compete with foreign manufactures in many markets. It should be the care of the Government to permit such concentration of capital while keeping open the avenues of individual enterprise, and the opportunity for a man or corporation with reasonable capital to engage in business. If we would maintain our present business supremacy, we should give to industrial concerns an opportunity to reorganize and to concentrate their legitimate capital in a federal corporation, and to carry on their large business within the lines of the law.

Second. There are those who doubt the constitutionality of such Federal incorporation. The regulation of interstate and foreign commerce is certainly conferred in the fullest measure upon Congress, and if for the purpose of securing in the most thorough manner that kind of regulation, Congress shall insist that it may provide and authorize certain agencies to carry on that commerce, it would seem to be within its power. This has been distinctly affirmed with respect to railroad companies doing an interstate business and interstate bridges. The power of incorporation has been exercised by Congress and upheld by the Supreme Court in this regard. Why, then, with respect to any other form of interstate commerce like the sale of goods across State boundaries and into foreign commerce, may the same power not be asserted? Indeed, it is the very fact that they carry on interstate commerce that makes these great industrial concerns subject to Federal prosecution and control. How far as incidental to the carrying on of that commerce it may be within the power of the Federal Government to authorize the manufacture of goods is, perhaps, more open to discussion, though a recent decision of the Supreme Court would seem to answer that question in the affirmative.

Even those who are willing to concede that the Supreme Court may sustain such federal incorporation are inclined to oppose it on the ground of its tendency to the enlargement of the federal power at the expense of the power of the States. It is a sufficient answer to this argument to say that no other method can be suggested which offers federal protection on the one hand and close federal supervision on the other of these great organizations that are in fact federal because they are as wide as the country and are entirely unlimited in their business by state lines. Nor is the centralization of federal power under this act likely to be excessive. Only the largest corporations would avail themselves of such a law, because the burden of complete federal supervision and control that must certainly be imposed to accomplish the purpose of the incorporation would not be accepted by an ordinary business concern.

The third objection, that the worst offenders will not accept federal incorporation, is easily answered. The decrees of injunction recently adopted in prosecutions under the antitrust law are so thorough and sweeping that the corporations affected by them have but three courses before them:

First, they must resolve themselves into their component parts in the different States, with a consequent loss to themselves of capital and effective organization and to the country of concentrated energy and enterprise; or,

Second, in defiance of law and under some secret trust they must attempt to continue their business in violation of the federal statute, and thus incur the penalties of contempt and bring on an inevitable criminal prosecution of the individuals named in the decree and their associates; or, Third, they must reorganize and accept in good faith the federal charter I suggest.

A federal compulsory license law, urged as a substitute for a federal incorporation law, is unnecessary except to reach that kind of corporation which, by virtue of the considerations already advanced, will take advantage voluntarily of an incorporation law, while the other state corporations doing an interstate business do not need the supervision or the regulation of a federal license and would only be unnecessarily burdened thereby.

The Attorney-General, at my suggestion, has drafted a federal incorporation bill, embodying the views I have attempted to set forth, and it will be at the disposition of the appropriate committees of Congress.

WILLIAM H. TAFT.

SPECIAL MESSAGE

THE WHITE HOUSE, *January 14, 1910.*

To the Senate and House of Representatives:

In my annual message I reserved the subject of the conservation of our national resources for discussion in a special message, as follows:

> "In several Departments there is presented the necessity for legislation looking to the further conservation of our national resources, and the subject is one of such importance as to require a more detailed and extended discussion than can be entered upon in this communication. For that reason I shall take an early opportunity to send a special message to Congress on the subject of the improvement of our waterways; upon the reclamation and irrigation of arid, semiarid, and swamp lands; upon the preservation of our forests and the reforesting of suitable areas; upon the reclassification of the public domain with a view of separating from agricultural settlement mineral, coal, and phosphate lands and sites belonging to the Government bordering on streams suitable for the utilization of water power."

In 1860 we had a public domain of 1,055,911,288 acres. We have now 731,354,081 acres, confined largely to the mountain ranges and the arid and semiarid plains. We have, in addition, 368,035,975 acres of land in Alaska.

The public lands were, during the earliest administrations, treated as a national asset for the liquidation of the public debt and as a source of reward for our soldiers and sailors. Later on they were donated in large amounts in aid of the construction of wagon roads and railways, in order to open up regions in the West then almost inaccessible. All the principal land statutes were enacted more than a quarter of a century ago. The homestead act, the preemption and timber-culture act, the coal land and the mining acts were among these. The rapid disposition of the public lands under the early statutes, and the lax methods of distribution prevailing, due, I think, to the belief that these lands should rapidly pass into private ownership, gave rise to the impression that the public domain was legitimate prey for the unscrupulous, and that it was not contrary to good morals to circumvent the land laws. This prodigal manner of disposition resulted in the passing of large areas of valuable land and many of our national resources into the hands of persons who felt little or no responsibility for promoting the national welfare through their development. The truth is that title to millions of acres of public lands was fraudulently obtained, and that the right to recover a large part of such lands for the Government long since ceased by reason of statutes of limitations.

There has developed in recent years a deep concern in the public mind respecting the preservation and proper use of our national resources. This has been particularly directed toward the conservation of the resources of the public domain. The problem is how to save and how to utilize, how to conserve and still develop; for no sane person can contend that it is for the common good that Nature's blessings are only for unborn generations.

Among the most noteworthy reforms initiated by my distinguished predecessor were the vigorous prosecution of land frauds and the bringing to public attention of the necessity for preserving the remaining public domain from further spoliation, for the maintenance and extension of our forest resources, and for the enactment of laws amending the obsolete statutes so as to retain governmental control over that part of the public domain in which there are valuable deposits of coal, of oil, and of phosphate, and, in addition thereto, to preserve control, under conditions favorable to the public, of the lands along the streams in which the fall of water can be made to generate power to be transmitted in the form of electricity many miles to the point of its use, known as "water-power" sites.

The investigations into violations of the public land laws and the prosecution of land frauds have been vigorously continued under my administration, as has been the withdrawal of coal lands for classification and valuation and the temporary withholding of power sites.

Since March 4, 1909, temporary withdrawals of power sites have been made on 102 streams and these withdrawals therefore cover 229 per cent. more streams than were covered by the withdrawals made prior to that date.

The present statutes, except so far as they dispose of the precious metals and the purely agricultural lands, are not adapted to carry out the modern view of the best disposition of public lands to private ownership, under conditions offering on the one hand sufficient inducement to private capital to take them over for proper development, with restrictive conditions on the other which shall secure to the public that character of control which will prevent a monopoly or misuse of the lands or their products. The power of the Secretary of the Interior to withdraw from the operation of existing statutes tracts of land, the disposition of which under such statutes would be detrimental to the public interest, is not clear or satisfactory. This power has been exercised in the interest of the public, with the hope that Congress might affirm the action of the Executive by laws adapted to the new conditions. Unfortunately, Congress has not thus far fully acted on the recommendations of the Executive, and the question as to what the Executive is to do is, under the circumstances, full of difficulty. It seems to me that it is the duty of Congress now, by a statute, to validate the withdrawals which have been made by the Secretary of the Interior and the President, and to authorize the Secretary of the Interior temporarily to withdraw lands pending submission to Congress of recommendations as to legislation to meet conditions or emergencies as they arise.

One of the most pressing needs in the matter of public-land reform is that lands should be classified according to their principal value or use. This ought to be done by that Department whose force is best adapted to that work. It should be done by the Interior Department through the Geological Survey. Much of the confusion, fraud, and contention which has existed in the past has arisen from the lack of an official and determinative classification of the public lands and their contents.

It is now proposed to dispose of agricultural lands as such, and at the same time to reserve for other disposition the treasure of coal, oil, asphaltum, natural gas, and phosphate contained therein. This may be best accomplished by separating the right to mine from the title to the surface, giving the necessary use of so much of the latter as may be required for the extraction of the deposits. The surface might be disposed of as agricultural land under the general agricultural statutes, while the coal or other mineral could be disposed of by lease on a royalty basis, with provisions requiring a certain amount of development each year; and in order to prevent the use and cession of such lands with others of similar character so as to constitute a monopoly forbidden by law, the lease should contain suitable provision subjecting to forfeiture the interest of persons participating in such monopoly. Such law should apply to Alaska as well as to the United States.

It is exceedingly difficult to frame a statute to retain government control over a property to be deveolped by private capital in such manner as to secure the governmental purpose and at the same time not to frighten away the investment of the necessary capital. Hence, it may be necessary by laws that are really only experimental to determine from their practical operation what is the best method of securing the result aimed at.

The extent of the value of phosphate is hardly realized, and with the need that there will be for it as the years roll on and the necessity for fertilizing the land shall become more acute, this will be a product which will probably attract the greed of monopolists.

With respect to the public land which lies along the streams offering opportunity to convert water power into transmissible electricity, another important phase of the public-land question is presented. There are valuable water-power sites through all the public-land States. The opinion is held that the transfer of sovereignty from the Federal Government to the territorial government as they become States included the water power in the rivers except so far as that owned by riparian proprietors. I do not think it necessary to go into a discussion of this somewhat mooted question of law. It seems to me sufficient to say that the man who owns and controls the land along the stream from which the power is to be converted and transmitted owns land which is indispensable to the conversion and use of that power. I can not conceive how the power in streams flowing through public lands can be made available at all except by using the land itself as the site for the construction of the plant by which the power is generated and converted and securing a right of way thereover for transmission lines. Under these conditions, if the Government owns the adjacent land—indeed, if the Government is the riparian owner—it may control the use of the water power by imposing proper conditions on the disposition of land necessary in the creation and utilization of the water power.

The development in electrical appliances for the conversion of the water power into electricity to be transmitted long distances has progressed so far that it is no longer problematical, but it is a certain inference that in the future the power of the water falling in the streams to a large extent will take the place of natural fuels. In the disposition of that domain already granted, many water-power sites have come under absolute ownership, and may drift into one ownership, so that all the water power under private ownership shall be a monopoly. If, however, the water-power sites now owned by the Government—and there are enough of them—shall be disposed of to private persons for the investment of their capital in such a way as to prevent their union for purposes of monopoly with other water-power sites, and under conditions that shall limit the right of use to not exceeding fifty years with proper means for determining a reasonable graduated rental, and with some equitable provision for fixing terms of renewal, it would seem entirely possible to prevent the absorption of these most useful lands by a power monopoly. As long as the Government retains control and can prevent their improper union with other plants, competition must be maintained and prices kept reasonable.

In considering the conservation of the natural resources of the country, the feature that transcends all others, including woods, waters, minerals, is the soil of the country. It is incumbent upon the Government to foster by all available means the resources of the country that produce the food of the people. To this end the conservation of the soils of the country should be cared for with all means at the Government's disposal. Their productive powers should have the attention of our scientists that we may conserve the new soils, improve the old soils, drain wet soils, ditch swamp soils, levee river overflow soils, grow trees on thin soils, pasture hillside soils, rotate crops on all soils, discover methods for cropping dry-land soils, find grasses and legumes for all soils, feed grains and mill feeds on the farms where they originate, that the soils from which they come may be enriched.

A work of the utmost importance to inform and instruct the public on this chief branch of the conservation of our resources is being carried on successfully in the Department of Agriculture; but it ought not to escape public attention that State action in addition to that of the Department of Agriculture (as for instance in the drainage of swamp lands) is essential to the best treatment of the soils in the manner above indicated.

The act by which, in semiarid parts of the public domain, the area of the homestead has been enlarged from 160 to 320 acres has resulted most beneficially in the extension of "dry farming," and in the demonstration which has been made of the possibility, through a variation in the character and mode of culture, of raising substantial crops without the presence of such a supply of water as heretofore has been thought to be necessary for agriculture.

But there are millions of acres of completely arid land in the public domain which, by the establishment of reservoirs for the storing of water and the irrigation of the lands, may be made much more fruitful and productive than the best lands in a climate where the moisture comes from the clouds. Congress recognized the importance of this method of artificial distribution of water on the arid lands by the passage of the reclamation act. The proceeds of the public lands creates the fund to build the works needed to store and furnish the necessary water, and it was left to the Secretary of the Interior to determine what projects should be selected among those suggested, and to direct the Reclamation Service, with the funds at hand and through the engineers in its employ, to construct the works.

No one can visit the Far West and the country of arid and semiarid lands without being convinced that this is one of the most important methods of the conservation of our natural resources that the Government has entered upon. It would appear that over 30 projects have been undertaken, and that a few of these are likely to be unsuccessful because of lack of water, or for other reasons, but generally the work which has been done has been well done, and many important engineering problems have been met and solved.

One of the difficulties which has arisen is that too many projects in view of the available funds have been set on foot. The funds available under the reclamation statute are inadequate to complete these projects within a reasonable time. And yet the projects have been begun; settlers have been invited to take up and, in many instances, have taken up, the public land within the projects, relying upon their prompt completion. The failure to complete the projects for their benefit is, in effect, a breach of faith and leaves them in a most distressed condition. I urge that the nation ought to afford the means to lift them out of the very desperate condition in which they now are. This condition does not indicate any excessive waste or any corruption on the part of the Reclamation Service. It only indicates an overzealous desire to extend the benefit of reclamation to as many acres and as many States as possible. I recommend therefore that authority be given to issue not exceeding $30,000,000 of bonds from time to time, as the Secretary of the Interior shall find it necessary, the proceeds to be applied to the completion of the projects already begun and their proper extension, and the bonds running ten years or more to be taken up by the proceeds of returns to the reclamation fund, which returns, as the years go on, will increase rapidly in amount.

There is no doubt at all that if these bonds were to be allowed to run ten years, the proceeds from the public lands, together with the rentals for water furnished through the completed enterprises, would quickly create a sinking fund large enough to retire the bonds within the time specified. I hope that, while the statute shall provide that these bonds are to be paid out of the reclamation fund, it will be drawn in such a way as to secure interest at the lowest rate, and that the credit of the United States will be pledged for their redemption.

I urge consideration of the recommendations of the Secretary of the Interior in his annual report for amendments of the reclamation act, proposing other relief for settlers on these projects.

Respecting the comparatively small timbered areas on the public domain not included in national forests because of their isolation or their special value for agricultural or mineral purposes, it is apparent from the evils resulting by virtue of the imperfections of existing laws for the disposition of timber lands that the acts of June 3, 1878, should be repealed and a law enacted for the disposition of the timber at public sale, the lands after the removal of the timber to be subject to appropriation under the agricultural or mineral land laws.

What I have said is really an epitome of the recommendations of the Secretary of the Interior in respect to the future conservation of the public domain in his present annual report. He has given close attention to the problem of disposition of these lands under such conditions as to invite the private capital necessary to their development on the one hand, and the maintenance of the restrictions necessary to prevent monopoly and abuse from absolute ownership on the other. These recommendations are incorporated in bills he has prepared, and they are at the disposition of the Congress. I earnestly recommend that all the suggestions which he has made with respect to these lands shall be embodied in statutes, and, especially, that the withdrawals already made shall be validated so far as necessary and that the authority of the Secretary of the Interior to withdraw lands for the purpose of submitting recommendations as to future disposition of them where new legislation is needed shall be made complete and unquestioned.

The forest reserves of the United States, some 190,000,000 acres in extent, are under the control of the Department of Agriculture, with authority adequate to preserve them and to extend their growth so far as that may be practicable. The importance of the maintenance of our forests can not be exaggerated. The possibility of a scientific treatment of forests so that they shall be made to yield a large return in timber without really reducing the supply has been demonstrated in other countries, and we should work toward the standard set by them as far as their methods are applicable to our conditions.

Upwards of 400,000,000 acres of forest land in this country are in private ownership, but only 3 per cent. of it is being treated scientifically and with a view to the maintenance of the forests. The part played by the forests in the equalization of the supply of water on watersheds is a matter of discussion and dispute, but the general benefit to be derived by the public from the extension of forest lands on watersheds and the promotion of the growth of trees in places that are now denuded and that once had great flourishing forests, goes without saying. The control to be exercised over private owners in their treatment of the forests which they own is a matter for state and not national regulation, because there is nothing in the Constitution that authorizes the Federal Government to exercise any control over forests within a State, unless the forests are owned in a proprietary way by the Federal Government.

It has been proposed, and a bill for the purpose passed the Lower House in the last Congress, that the National Government appropriate a certain amount each year out of the receipts from the forestry business of the Government to institute reforestation at the sources of certain navigable streams, to be selected by the Geological Survey, with a view to determining the practicability of thus improving and protecting the streams for federal purposes. I think a moderate expenditure for each year for this purpose, for a period of five or ten years, would be of the utmost benefit in the development of our forestry system.

I come now to the improvement of the inland waterways. He would be blind, indeed, who did not realize that the people of the entire West, and especially those of the Mississippi Valley, have been aroused to the need there is for the improvement of our inland waterways. The Mississippi River, with the Missouri on the one hand and the Ohio on the other, would seem to offer a great natural means of interstate transportation and traffic. How far, if properly improved, they would relieve the railroads or supplement them in respect to the bulkier and cheaper commodities is a matter of conjecture. No enterprise ought to be undertaken the cost of which is not definitely ascertained and the benefit and advantages of which are not known and assured by competent engineers and other authority. When, however, a project of a definite character for the improvement of a waterway has been developed so that the plans have been drawn, the cost definitely estimated, and the traffic which will be accommodated is reasonably probable, I think it is the duty of Congress to undertake the project and make provision therefor in the proper appropriation bill.

One of the projects which answers the description I have given is that of introducing dams into the Ohio River from Pittsburg to Cairo, so as to maintain at all seasons of the year, by slack water, a depth of 9 feet. Upward of seven of these dams have already been constructed and six are under construction, while the total required is fifty-four. The remaining cost is known to be $63,000,000.

It seems to me that in the development of our inland waterways it would be wise to begin with this particular project and carry it through as rapidly as may be. I assume from reliable information that it can be constructed economically in twelve years.

What has been said of the Ohio River is true in a less complete way of the improvement of the upper Mississippi from St. Paul to St. Louis, to a constant depth of 6 feet, and of the Missouri, from Kansas City to St. Louis, to a constant depth of 6 feet and from St. Louis to Cairo to a depth of 8 feet. These projects have been pronounced practical by competent boards of army engineers, their cost has been estimated, and there is business which will follow the improvement.

I recommend, therefore, that the present Congress, in the river and harbor bill, make provision for continuing contracts to complete these improvements.

As these improvements are being made, and the traffic encouraged by them shows itself of sufficient importance, the improvement of the Mississippi beyond Cairo down to the Gulf, which is now going on with the maintenance of a depth of 9 feet everywhere, may be changed to another and greater depth if the necessity for it shall appear to arise out of the traffic which can be delivered on the river at Cairo.

I am informed that the investigation by the waterways commission in Europe shows that the existence of a waterway by no means assures traffic unless there is traffic adapted to water carriage at cheap rates at one end or the other of the stream. It also appears in Europe that the depth of the non-tidal streams is rarely more than 6 feet, and never more than 10. But it is certain that enormous quantities of merchandise are transported over the rivers and canals in Germany and France and England, and it is also certain that the existence of such methods of traffic materially affects the rates which the railroads charge, and it is the best regulator of those rates that we have, not even excepting the governmental regulation through the Interstate Commerce Commission. For this reason, I hope that this Congress will take such steps that it may be called the inaugurator of the new system of inland waterways.

For reasons which it is not necessary here to state, Congress has seen fit to order an investigation into the Interior Department and the Forest Service of the Agricultural Department. The results of that investigation are not needed to determine the value of, and the necessity for, the new legislation which I have recommended in respect to the public lands and in respect to reclamation. I earnestly urge that the measures recommended be taken up and disposed of promptly, without awaiting the investigation which has been determined upon.

WILLIAM H. TAFT.

THE WHITE HOUSE, *January 25, 1910.*

To the Senate and House of Representatives:

I transmit herewith a report by the Secretary of State setting out reasons why the invitation extended by the Government of Italy to that of the United States to participate in two international expositions which, in commemoration of the fiftieth anniversary of the

Kingdom of Italy, will be held at Rome and Turin, respectively, in 1911, should be accepted and provision made by Congress to enable the United States fittingly to take part in the expositions.

Deeming international expositions of the comprehensive character of those it is intended to hold in Italy next year to be instructive agencies of the industrial development of the world and important instrumentalities in the advancement of trade relations, I give my cordial approval to the recommendation made by the Secretary of State and urge upon Congress timely provision in accordance therewith.

WILLIAM H. TAFT.

[NOTE: The letter from the Secretary of State recommended that, in view of the Italian Government's cordial invitation; the unanimity of other Powers in accepting same; the Italian Government's appropriation of $170,000 for representation in the Louisiana Purchase Exposition; the material consideration of commercial benefits to be derived; the fact that of Italy's $923,000,000 world trade the United States received in 1907 only twelve per cent; the increasing volume of commerce between the two countries, and the excellent transportation facilities already existing to carry American goods, an appropriation of $130,000 be authorized by Congress to enable the United States fittingly to participate in the two expositions at Rome and Turin.]

THE WHITE HOUSE, *January 29, 1910.*

To the Senate and House of Representatives:

I beg to transmit herewith a report made to me by the Secretary of War upon the conditions found by him to exist in the island of Porto Rico during a visit made at my request. The people of Porto Rico, if we may judge by the expressions of the political parties in the island, have been anxious to secure amendments to the so-called "Foraker law," and especially a declaration by Congress making those who are now Porto Rican citizens under the Foraker law American citizens.

I commend to Congress the consideration of the report of the Secretary of War and recommend the adoption of his suggestions, which have been embodied in a bill amending the so-called "Foraker Act." This bill is at the disposition of Congress. The Secretary suggests not an act making all Porto Rican citizens American citizens with or without their consent, but an act to provide machinery by which Porto Rican citizens who shall make the proper application for citizenship to a proper court shall become American citizens upon taking the oath of allegiance to the United States. After a certain date the right to vote and to hold office is to be confined to American citizens, and only those American citizens are to enjoy the franchise who can satisfy certain educational or property qualifications. At present there is manhood suffrage in the island, and, as a very large percentage of the voters are unable to read or write, the electorate is not one which should be intrusted with the government. It is much better in the interests of the people of the island that the suffrage should be limited by an educational and property qualification.

I do not comment on the other changes in the laws recommended by the Secretary, because he sufficiently discusses them, and his arguments need no addition from me.

WILLIAM H. TAFT.

[NOTE: This Message was accompanied by a letter from the Secretary of War, in which he submitted to the President, as the fruits of his visit to Porto Rico, the following observations and recommendations:

First.—There is a general and almost universal desire and demand of all classes, interests, and political parties for American citizenship for the people of Porto Rico collectively. However, many men, both Americans and natives, of such education, character, and general knowledge of the affairs of the island as to make their judgment valuable, are of the opinion that, owing to the preponderance of illiterate persons and the tendency to boss rule, such a system would be disastrous to the health and economic and political welfare of the island, would jeopardize investments, retard healthy development, would eventuate in the enforced withdrawal by the United States of powers too hastily granted, and would therefore set back the realization of local self-government. For these reasons, the Secretary of War recommended that provision be made for admitting at any time citizens of Porto Rico to citizenship in the United States, upon application to the courts and upon swearing allegiance, with the condition that after a reasonable period no one except a citizen of the United States shall hold an elective or appointive office, and with the further condition that after the next general election no one may vote except those who are citizens of the United States and are able to read and write, or who own, directly or through a firm, taxable property, or can produce to the registration officials tax receipts of any kind not more than six months old.

Second.—There is a general and insistent demand for an elective Senate. Owing to the same considerations which figured in the citizenship question—namely, the prevailing illiteracy and the tendency to vote at the behest of bosses and employers—the Secretary recommends only a partial assent to this demand, in the shape of a senate of thirteen members, five to be elective and eight to be appointed by the President of the United States, which would be regarded, he believes, as a step toward a grant of larger political power.

Third.—Owing to lack of discipline among subordinate executives, the Secretary recommends increasing the power of the governor over department heads.

Fourth.—Elections every two years being regarded as unnecessary and expensive, the Secretary recommends changing to an election every four years.

Fifth.—The sanitary conditions being unsatisfactory, the Secretary recommends the appropriation of $200,000 by Congress for the purpose of initiating a campaign against the anæmia among the Porto Ricans caused by the hookworm.

Sixth.—Individual holdings of sugar land being limited to 500 acres and it being impossible profitably to operate the essential expensive machinery to treat the product of so limited a territory, the Secretary recommends that the organic law be changed so as to permit an individual to hold 5,000 acres.]

THE WHITE HOUSE, *February 7, 1910.*

To the Senate and House of Representatives:

I submit herewith copy of a letter from the Secretary of the Treasury inclosing a memorandum and letter from the Director of the Mint relative to a modification of the deviations now allowed by law from the standard weight of the silver coins of the United States.

The Secretary of the Treasury approves of the suggestion of the Director of the Mint, and it is recommended by both that section 3536 of the Revised Statutes be amended by striking out the following words:

> And in weighing a large number of pieces together, when delivered by the coiner to the superintendent, and by the superintendent to the depositor, the deviations from the standard weight shall not exceed two-hundredths of an ounce in one thousand dollars, half-dollars, or quarter-dollars, and one-hundredth of an ounce in one thousand dimes.

From the memorandum prepared by the Director of the Mint it is apparent that a saving in the manufacture of subsidiary silver coin would be effected by amending section 3536 of the Revised Statutes as proposed, and I recommend that favorable action be taken by the Congress.

WILLIAM H. TAFT.

[NOTE: This Message was accompanied by a letter from the Director of the Mint to the effect that as the present law provides that individual half dollars, quarter dollars, and dimes may deviate 1.5 grains from standard weight, 1,000 of these coins might weigh 1,500 grains below standard and yet, as individual coins, be acceptable; whereas, under the law governing deliveries of coins in quantities, 1,000 half dollars or quarter dollars must be so mixed that the deviation from standard shall be only 9.6 grains, the greatest deviation allowable in dimes being only 4.8 grains per 1,000. To comply with this requirement each half dollar and quarter dollar must be weighed thrice, once by hand and twice by machinery, and then mingled so as not to exceed the maximum deviation. By dispensing with unnecessary weighing and mixing, the Government could decrease its annual expenditure by $30,000 at least, the Director of the Mint concludes.]

THE WHITE HOUSE, *February 21, 1910.*

To the Senate and the House of Representatives:

I transmit herewith a communication from the Secretary of State transmitting a report on the International Opium Commission and on the opium problem as seen within the United States and its possessions, prepared by Mr. Hamilton Wright on behalf of the American delegates to the said commission, held at Shanghai in February, 1909. In reference to this report the Secretary of State makes certain recommendations regarding an appropriation and other legislative action, which I commend to the Congress with my approval and the request that action should be taken accordingly.

WILLIAM H. TAFT.

[NOTE: This Message was accompanied by a letter to the President from the Secretary of State in which the latter recommended that the Congress appropriate $25,000 for purposes of international conference and investigation as to the opium evil, and that the act regulating drug traffic in the District of Columbia be applied and extended to United States consular districts and federal judicial jurisdiction in China. With his letter the Secretary transmitted to the President the report mentioned.

The report observes that though the United States had steadily opposed the Far Eastern traffic in opium by treaties prohibiting Americans from engaging therein, yet by the admission of so-called medicinal opium it had unwittingly assisted the enormous growth in the manufacture of morphia; so that, despite State and municipal laws, these opium products, together with the newly discovered drug cocaine, set their noxious tentacles upon rapidly increasing numbers of people of all social ranks, producing abnormal criminality and unusual forms of violence. Citing the beneficial operation of the act of February, 1909, prohibiting the importation of other than medicinal opium, the report recommended that the triangle be completed by (*a*) acts (of which it submitted drafts) to govern interstate traffic in habit-forming drugs, and (*b*) an internal revenue law taxing out of existence manufacturers of opium products for other than medicinal use.

The results effected by the International Opium Commission were an agreement to suppress as effectually as possible opium smoking in China, France, Germany, Great Britain, Japan, Holland, Portugal, Russia, Austria-Hungary, Italy, Siam, and Persia, besides the United States; an agreement to adopt reasonable measures to prevent shipment of morphia from their ports to ports of countries which prohibit entry; an agreement that opium resorts in foreign concessions or settlements in China should be closed; and an agreement that each should apply its pharmacy laws to its consular districts in China.]

THE WHITE HOUSE, *February 25, 1910.*

To the Senate and House of Representatives:

I wish to bring to the attention of the Congress the urgent need of legislation for the improvement of the personnel of the navy.

I am strongly of the opinion that the future of our navy will be seriously compromised unless the ages of our senior officers are materially reduced, and opportunity is given thereby for experience and training for battle ship and fleet commands.

Under our present system the average age of captains is 55 years and of rear-admirals 60½ years.

This is the direct result of an absurd system which allows nearly all officers, provided they retain their health, to pass through the various grades and retire as rear-admirals.

The greater number of our older commanding officers have had inadequate experience in command. Experience in command of a large vessel in the battle fleet is essential to the command of a division or squadron of the fleet, and preliminary training in flag-officers' duties is necessary before succeeding to the chief command of a fleet. We are now training officers in command of battle ships and armored cruisers many of whom can not serve as flag officers on account of their short time on the active list after reaching that grade.

The line of the navy is in an abnormal condition, the result of past legislation.

There is still a "hump" in the flag and command grades, there is a great deficiency of officers of suitable ages for the intermediate grades, there is the beginning of a new "hump" in the lower grades, and the total of all the grades is very considerably short of the requirements of the service.

The Congress in 1903 authorized an increase in the number of midshipmen at the Naval Academy, without increasing correspondingly the grades of officers, and the result is now a large "hump" near the bottom of the list, due to the large classes graduated since that date. Unless legislation relieves the situation, these young officers will have little promotion for many years to come. From now on about 160 officers per year will enter the junior lieutenants' grade, and, under existing law, but 40 a year will be promoted out of it; so that that grade will increase out of proportion to the others.

The following table shows the ages of the oldest and youngest, and the average ages of the flag officers of different grades and captains in the English, French, German, Italian, Austrian, and United States navies at the present time (about Jan. 1, 1910):

	Great Britain.			France.			Germany.			Japan.		
	Oldest.	Youngest.	Average.	Oldest.	Youngest.	Average.	Oldest.	Youngest.	Average.	Oldest.	Youngest.	Average.
Admirals of the fleet....	70	65	68	.....	.....	.....	(1 only, active.)			.....	.....	.....
Admirals..............	64	59	62	.....	.....	.....	61	58	60	67	48	60
Vice-admirals..........	62	53	59	64	58	62	57	54	55	60	50	54
Rear-admirals..........	58	46	53	62	54	59	54	49	51	53	42	50
Captains..............	53	36	44	60	47	54	51	41	45	51	41	45

	Italy.			Austria-Hungary.			United States.		
	Oldest.	Youngest.	Average.	Oldest.	Youngest.	Average.	Oldest.	Youngest.	Average.
Admirals of the fleet....................	.....	.....	.....	.....	.....	.....	(1 admiral of the navy, special.)		
Admirals..........................	(1 only, 54.)			(1 only, 66.)			.....	.....	.....
Vice-admirals..........................	66	60	62	65	57	61	.....	.....	.....
Rear-admirals..........................	60	37	56	58	52	55	62	58	60.5
Captains..............................	54	46	51	54	47	50	61	50	55

The average ages of rear-admirals of different countries, about January 1, 1910, were thus as follows:

	Years
Japanese	50
German	51
English	53
Austrian	55
Italian	56
French	59
American	60.5

The effect of the proposed measure would be to promote our officers to the grade of rear-admiral at an average age of 54 to 55, and to make the average of all the rear-admirals about 58.

The average ages of captains about January 1, 1910, were (from the same table) as follows:

	Years
English	44
German	45
Japanese	45
Austrian	50
Italian	51
French	54
American	55

The effect of the proposed measure would be to promote officers to the grade of captain at an average age of 46 or 47, and to make the average age of all the captains about 50.

The ages for rear-admirals and captains produced by the proposed measure are not young enough, in my opinion, for the arduous duties of the modern vessels of war and for the best success in a fleet engagement, should war come, but they are a decided improvement. To reduce the ages still further would not increase the cost; but for other reasons I am unwilling to advocate any further reduction at the present time.

The creating of higher ranking flag officers is a military necessity. Through custom and tradition, at a time when the service was small, grades higher than that of rear-admiral were regarded as rewards of merit for exceptional war service. The size of the fleet now demands two grades above that of rear-admiral, which still would not compare with the grades to be found in foreign services. The customary naval grades are admiral of the fleet (grand admiral), admiral, vice-admiral, rear-admiral. Foreign fleets are commanded by admirals and vice-admirals. In international council, or in combined operations, the American admiral, whatever the importance of his command, must assume the junior position. In our Atlantic fleet there are now four rear-admirals. There should be an admiral in command, a vice-admiral for the second squadron, and a rear-admiral for each of the other two divisions.

Considerations of proper military efficiency, as well as a due sense of national dignity, and self-respect, as befitting this great nation, urge that the existing situation shall cease.

The Secretary of the Navy has prepared a tentative bill for reorganizing the personnel of the navy, which is at the disposition of the Congress should it be desired. This proposed plan for relief meets with my hearty approval.

OUTLINE OF PROPOSED MEASURE.

The personnel of officers and men is based on the tonnage of effective ships. Increases or decreases of ships, due to authorization by Congress, or to sale or other disposal, will increase or decrease the personnel in a fixed proportion. In time, though, the increases in new tonnage will be offset by old ships struck from the list. Adequate provisions are made to guard against sudden fluctuations in the personnel.

The ratio provided is 100 men and 5 line officers and midshipmen for every 2,000 tons of ships, including ships authorized and building, the principle being followed that it takes as long to train the midshipmen and enlist and train the men as it does to build the ships.

With 1,200,000 tons of ships, as now authorized, the ultimate personnel would reach 3,000 line officers and midshipmen and 60,000 enlisted men; but under the measure as drawn, the full authorized strength of officers and men can not be reached for a number of years to come; nor, in any case, except with the approval of the Congress year by year.

The officers, as now, are to be drawn from the Naval Academy, with certain additions from the ranks, as authorized by existing law; but it is not proposed to increase the present size of the Naval Academy classes, and it is estimated that, under present conditions, it will take about eight years for the full strength of officers to be reached.

As regards the men, the present authorized strength is 44,500. The current estimates provide for 47,500, which estimates are not to be altered. In future years, if approved by the Congress, the number can be brought up gradually to the proportion required for the actual ships, the present measure not authorizing any increase.

After the grades of officers assume the fixed proportions set for them there will be an excess in the upper grades due to promotion for length of service.

Each July 1 a board of high ranking officers recommends sufficient retirements to reduce such excess.

The rate of pay for such retired officers will depend on length of service. After eighteen years they would get about one-fourth pay, after twenty years about one-third pay, after twenty-four years about one-half pay, and after thirty years three-fourths pay.

The method of retirement is an important part of the proposed plan. At present too many officers reach the highest grade and retire with the rank of senior rear-admiral without adequate return to the Government.

The present personnel law of 1899 has been in operation eleven years. In that time 304 officers have retired from age, length of service, or by operation of the law. In the next eleven years, if the proposed measure becomes operative, there will be about 138 retirements from the same causes, at a cost of less than one-half the former 304.

The lengths of service proposed for line officers in the various grades will bring promotion, at the latest, at the ages set forth following:

Age at entry	18
Ensign	22
Lieutenant (junior grade)	25
Lieutenant	28
Lieutenant-commander	36
Commander	42
Captain	47
Rear-admiral	55

The Staff Corps are put on the same basis as the line, as nearly as the requirements of the different corps will permit.

EXPENSE OF PROPOSED MEASURE.

In drawing up the measure which I have approved, a prime consideration was that there was to be no immediate increase in expense, nor, except for authorized increases in ships, any eventual increase.

On the basis of tonnage, any increase in both officers and men must be authorized each year by Congress when it authorizes ships.

The saving in this measure is principally in the retired list of the line. Under the present law and that which preceded it most retirements were from the higher grades at the higher rates of pay. Under the proposed plan, with the exception of the captains already due for promotion to the grade of rear-admiral, no increase of rank is allowed on retirement, and retirements will be distributed along the grades at rates of pay which depend on length of service.

Finally, I wish to emphasize to the Congress that this measure is intended primarily to reduce the ages of the officers in the senior grades of the line of the navy and to secure more efficient captains and flag officers.

Incidentally, it is intended to increase the efficiency of the staff corps by providing some measure of compulsory retirement for them and some increases which are necessary.

While it might be possible to include improvement in some other minor details of the line and staff corps, these matters are not directly concerned with improving the military efficiency of the fleet; and I deem it best not to complicate the desired improvement by introducing them at this time.

The wisdom of the Congress, urged by the overwhelming voice of the people of our country, has provided us with ships of the best quality. It is necessary that our personnel of officers match these superb vessels if the navy is to be at the efficiency which is vitally necessary for its chief purpose and only reason for existence.

I earnestly urge upon the Congress the passage of suitable personnel legislation.

WILLIAM H. TAFT.

THE WHITE HOUSE, *February 28, 1910.*

To the Senate and House of Representatives:

I transmit herewith a communication from the Civil Service Commission submitting draft of proposed legislation providing that any member of the United States Civil Service Commission, or any officer, examiner, clerk, employee, or other representative thereof lawfully detailed to investigate frauds or attempts to defraud the Government, or any irregularity or misconduct of any officer or agent of the United States, shall have authority to administer an oath to any witness attending to testify or depose in the course of such investigation.

The proposed legislation has my hearty approval and I commend it to the careful consideration of the Congress.

WILLIAM H. TAFT.

THE WHITE HOUSE, *February 28, 1910.*

To the Senate and House of Representatives:

I transmit herewith, for the information of the Congress, reports rendered in connection with the investigation to determine the extent and value of the coal deposits in and under the segregated coal lands of the Choctaw and Chickasaw nations in Oklahoma, which investigation has been made, under the direction of the Department of the Interior, pursuant to the act of June 21, 1906, which provides in part as follows:

> That the Secretary of the Interior is hereby authorized and directed to make practical and exhaustive investigation of the character, extent,

and value of the coal deposits in and under the segregated coal lands of the Choctaw and Chickasaw nations, in Indian Territory; and the expense thereof, not exceeding the sum of fifty thousand dollars, shall be paid out of the funds of the Choctaw and Chickasaw nations in the Treasury of the United States: *Provided*, That any and all information obtained under the provisions of this act shall be available at all times for the use of the Congress and its committees.

There are also inclosed memorials of the Choctaw Nation protesting against the payment of the expenses of this investigation from the tribal funds, and requesting the United States to purchase the surplus and undivided property of the Choctaw and Chickasaw nations.

WILLIAM H. TAFT.

[NOTE: This Message was accompanied by letters and memoranda detailing the progress of the investigation into the character, extent and value of the coal deposits in and under the segregated coal lands of the Choctaw and Chickasaw Nations in Indian Territory. The salient features of the report were that the acreage of workable coal was found to be, on unleased lands, 188,824 acres, and on leased lands, 82,129 acres, with a value, according to the Government's mining expert, of about $12,319,039. The Director of the Geological Survey estimated the value of the land in three different ways: (1) By mining the coal upon the same royalty basis and assuming that the annual production remained the same, it would take 666 years to exhaust the deposits and about $160,000,000 would be earned.

(2) By selling the land in tracts for immediate exploitation, the Director believed the Indians could obtain about $26,000,000.

(3) By purchasing the land and permitting it to be mined by other parties upon a royalty basis of 8 cents per ton, the Government could procure an annual income of $240,000. After deducting $40,000 for administrative expenses, the remaining $200,000 annual royalty would be applicable partly as interest on the bonds, by which, presumably, the necessary purchase price would be obtained, and partly as amortization. The latter item, however, because of the great length of time required to exhaust the coal, the Director considers negligible. Figuring upon this basis, the Geological Survey values the land at from $5,000,000 to $6,600,000.]

THE WHITE HOUSE, *March 14, 1910.*

To the Senate and House of Representatives:

I transmit herewith, for the information of the Congress, a report of the International Waterways Commission, dated January 8, 1910, on the regulation of Lake Erie, together with the appendix, tables, and plates.

WILLIAM H. TAFT.

[NOTE: This Message was accompanied by a report from the International Waterways Commission on the proposed erection at or near Buffalo of a submerged weir and sluice gates to regulate the depth of Lake Erie by controlling the outflow. The Report concluded as follows:—

"The advantages of regulating Lake Erie are that the low-water stages of Lake Erie will be raised about 1 foot; that of Lake St. Clair will be raised about 0.61 foot; and that of Lake Michigan-Huron about 0.27 foot, without in any case increasing the high-water stage. The disadvantages are that the oscillations in Lake Ontario are increased about 5½ inches, and low water is made lower by about 4½ inches; that the depth in the St. Lawrence canals will be diminished by about 7.66 inches; that the city of Buffalo and its southerly suburbs will suffer by increased damage from floods, and from a postponement of the date of opening navigation in the spring. In weighing these advantages and disadvantages, it is to be remembered that the persons who are to benefit by the former are not identical with those who are to suffer from the latter. As the matter stands it involves the question of damages to vested rights, which in this case is peculiarly intricate. It is our opinion that the advantages are not of such overwhelming character as to justify the two governments in entering upon that vexatious question, and we therefore recommend that the "regulation" of Lake Erie be not undertaken, meaning thereby the most complete practicable regulation such as can be secured by a dam and sluice gates located at or near Buffalo."]

THE WHITE HOUSE, *March 15, 1910.*

To the Senate and House of Representatives:

By the terms of section 1963, United States Revised Statutes, the Secretary of Commerce and Labor is directed, at the expiration of the lease which gives the North American Commercial Company the right to engage in taking fur seals on the islands of St. Paul and St. George, to enter into a new lease covering the same purpose for a period of twenty years. The present lease will expire on the 30th of April, 1910, and it is important to determine whether or not changed conditions call for a modification of the policy which has so far been followed.

The Secretary of State and the Secretary of Commerce and Labor unite in recommending a radical change of this policy. It appears that the seal herds on the islands named have been reduced to such an extent that their early extinction must be looked for unless measures for their preservation be adopted. A herd numbering 375,000 twelve years ago is now reduced to 134,000, and it is estimated that the breeding seals have been reduced in the same period of time from 130,000 to 56,000. The rapid depletion of these herds is undoubtedly to be ascribed to the practice of pelagic sealing, which prevails in spite of the constant and earnest efforts on the part of this Government to have it discontinued.

The policy which the United States has adopted with respect to the killing of seals on the islands is not believed to have had a substantial effect upon the reduction of the herd. But the discontinuance of this policy is recommended in order that the United States may be free to deal with the general question in its negotiations with foreign countries. To that end it is recommended that the leasing system be abandoned for the present, and that the Government take over entire control of the islands, including the inhabitants and the seal herds. The objection which has heretofore been made to this policy, upon the ground that the Government would engage in private business, has been deprived of practical force. The herds have been reduced to such an extent that the question of profit has become a mere incident, and the controlling question has become one of conservation.

It is recommended, therefore, that the provision for a renewal of the lease be repealed, and that instead a law be enacted to authorize the Department of Commerce and Labor to take charge of the islands, with authority to protect the inhabitants substantially as has been done in the past, and to control the seal herds as far as present conditions admit of, pending negotiations with foreign countries looking to the discontinuance of pelagic sealing. If this result can be obtained, as is confidently believed, there is every prospect that the seal herds will not only be preserved but will increase, so as to make them a source of permanent income.

A draft of a bill covering this matter has been prepared by the Secretary of Commerce and Labor, and upon request will be submitted to the appropriate committees.

WILLIAM H. TAFT.

THE WHITE HOUSE, *March 25, 1910.*

To the Senate and House of Representatives:

I lay before the Congress herewith a report submitted by the commission which visited Liberia in pursuance of the provisions of the deficiency act of March 4, 1909, " to investigate the interests of the United States and its citizens in the Republic of Liberia, with the consent of the authorities of said Republic."

This report is accompanied by a communication of the Secretary of State reciting the conditions under which the Liberian commonwealth was founded through the efforts of the Government of the United States and American citizens, and commenting on the recommendations of the commission touching the course to be pursued by this Government in aid of Liberia at this juncture of stress and need. I cordially concur in the views of the Secretary of State and trust that the policy of the United States toward Liberia will be so shaped as to fulfill our national duty to the Liberian people who, by the efforts of this Government and through the material enterprise of

American citizens, were established on the African coast and set on the pathway to sovereign statehood.

WILLIAM H. TAFT.

[NOTE: This Message was accompanied by a letter from the Secretary of State in which, regarding the report of the Liberian Commission, he made the following recommendations:—

(1) That, in view of the inability of Liberia to cope with foreign powers in boundary disputes, that the United States secure by treaty power of attorney to represent the Republic in international matters.

(2) That a system of internal revenue administration similar to that in force at Santo Domingo be established and that the agencies controlling same be also given power over the internal finances of the Republic.

(3) That, as a vital concomitant of any real settlement of boundary questions the United States aid Liberia to drill and organize an adequate constabulary.

(4) That the United States maintain a research station to advise Liberia as to agriculture and other resources and as to hygiene and sanitation.

(5) That the United States establish a coaling station in Liberia.]

THE WHITE HOUSE, *March 28, 1910.*

To the Senate and House of Representatives:

In my annual message in discussing the tariff act of August 5, 1909, I referred to the maximum and minimum clause and discussed the power reposed in the President in that clause, and expressed the opinion that it would enable the President and the State Department, through friendly negotiations, to secure the elimination from the laws and the practice under them in any foreign country of that which is unduly discriminatory against the United States. I am glad to say that negotiations under that clause are now substantially completed with all the nations of the world with results that are satisfactory; and I come now to the further functions of the Tariff Board appointed by virtue of the power given the President in the maximum and minimum clause. Upon the subject of this Tariff Board I used the following language:

> The new tariff law enables me to appoint a tariff board to assist me in connection with the Department of State in the administration of the minimum and maximum clause of the act and also to assist officers of the Government in the administration of the entire law. An examination of the law and an understanding of the nature of the facts which should be considered in discharging the functions imposed upon the Executive show that I have the power to direct the Tariff Board to make a comprehensive glossary and encyclopedia of the terms used and articles embraced in the tariff law, and to secure information as to the cost of production of such goods in this country and the cost of their production in foreign countries. I have therefore appointed a Tariff Board consisting of three members and have directed them

to perform all the duties above described. This work will perhaps take two or three years, and I ask from Congress a continuing annual appropriation equal to that already made for its prosecution. I believe that the work of this board will be of prime utility and importance whenever Congress shall deem it wise again to readjust the customs duties. If the facts secured by the Tariff Board are of such a character as to show generally that the rates of duties imposed by the present tariff law are excessive under the principles of protection as described in the platform of the successful party at the late election, I shall not hesitate to invite the attention of Congress to this fact and to the necessity for action predicated thereon. Nothing, however, halts business and interferes with the course of prosperity so much as the threatened revision of the tariff, and until the facts are at hand, after careful and deliberate investigation, upon which such revision can properly be undertaken, it seems to me unwise to attempt it. The amount of misinformation that creeps into arguments pro and con in respect to tariff rates is such as to require the kind of investigation that I have directed the Tariff Board to make, an investigation undertaken by it wholly without respect to the effect which the facts may have in calling for a readjustment of the rates of duty.

Upon consulting the members of the Tariff Board I find that to carry out the purpose announced in my annual message it will be necessary to have an appropriation by the Congress, immediately available, for the current and the next fiscal year, of $250,000, and I respectfully urge upon Congress this appropriation. I have directed the Secretary of the Treasury to submit an estimate of the same in the statutory method. The statement of the chairman of the Tariff Board, showing the necessity for the amount asked, is herewith submitted.

WILLIAM H. TAFT.

THE WHITE HOUSE, *April 9, 1910.*

To the Senate and House of Representatives:

I transmit herewith communications to me from the Secretary of Commerce and Labor, the Commissioner of Fisheries, and Dr. H. R. Gaylord, Director of the New York State Cancer Laboratory, in respect to the necessity for an active investigation into the subject of cancer in fishes, and I respectfully request an appropriation of $50,000 for the purpose of erecting one or more laboratories at suitable places and to provide for the proper personnel and maintenance of these laboratories. Were there a bureau of public health such as I have already recommended, the matter could be taken up by that bureau, and if in the wisdom of the Congress it should be provided in the near future, all such instrumentalities as that for which appropriation is here recommended may be placed in that bureau as the proper place for research in respect of human diseases.

I have directed the Secretary of Commerce and Labor and the Secretary of the Treasury to forward an estimate for the appropriation here recommended, in accordance with the procedure provided by law.

The very great importance of pursuing the investigation into the cause of cancer can not be brought home to the Congress or to the public more acutely than by inviting attention to the memorandum of Doctor Gaylord herewith. Progress in the prevention and treatment of human diseases has been marvelously aided by an investigation into the same disease in those of the lower animals which are subject to it, and we have every reason to believe that a close investigation into the subject of cancer in fishes, which are frequently swept away by an epidemic of it, may give us light upon this dreadful human scourge.

WILLIAM H. TAFT.

[NOTE: This Message was accompanied by a report from Dr. H. R. Gaylord, Director of the New York State Cancer Laboratory, in which he stated that:

"One woman out of every eight, beyond the age of 45, dies of cancer, and the mortality among men is only somewhat less. This terrible disease has increased of late years in all civilized countries. In the United States from 9 deaths per 100,000 of population in 1850 it had risen in 1900 to 43 deaths per 100,000. In the registration area of this country in 1906 it was 70 per 100,000. This astonishing increase has raised the deaths from this cause so that now approximately half as many die of cancer as of tuberculosis.

"The cause of cancer is not yet known. Domestic animals of various sorts are subject to the disease.

"Cancer in man is most prevalent in the well wooded, well watered, and mountainous regions or in poorly drained areas with alluvial soil. These facts have attracted the attention of scientists to the possible prevalence of cancer in fish. We now know that fish are subject to various types of cancer, certain varieties being subject to epidemics of cancer. It is an astonishing coincidence that the distribution of those varieties of fish which are subject to cancer epidemics and the concentration of cancer in man in this country are almost identical. A map of one might well be taken as a map of the other.

"An investigation of the conditions obtaining among fish offers the best opportunity for determining the conditions under which cancer is spontaneously acquired, and it is believed that a careful study of these conditions will not only enable us to eliminate the disease from among fish but to gain information of an invaluable character for humanity."]

THE WHITE HOUSE, *April 15, 1910.*

To the House of Representatives:

On March 4, 1910, your honorable body adopted the following resolution:

Resolved, That the President of the United States be requested, if not incompatible with the public interest, to furnish the House of Representatives the following information:

First. Why is not the appropriation for the construction of a gunboat on the Great Lakes, contained in the naval appropriation act of eighteen hundred and ninety-eight, expended?

Second. What steps, if any, have been taken by the United States Government to remove the obstacles that prevented the construction of this vessel?

In answer, I beg to transmit herewith a communication from the Secretary of the Navy.

WILLIAM H. TAFT.

[NOTE: This Message was accompanied by a letter from the Secretary of the Navy to the effect that when Congress authorized the construction of a gunboat on the Great Lakes, the Navy Department requested an opinion from the State Department as to whether or not, under the terms of the Rush-Bagot convention of 1817, the department was justified in proceeding with the construction as authorized. The reply was that such construction would be a violation of the terms of the treaty.]

THE WHITE HOUSE, *April 29, 1910.*

To the Senate and House of Representatives:

I forward herewith a letter from the Secretary of War inclosing the report of a board of officers of the army and the navy, appointed by him to consider the subject of the defenses of the Panama Canal. It is the right and the duty of the United States to defend the work upon which it is expending such enormous sums. An adequate defense requires suitable fortifications near the approaches to the termini.

It was not practicable to submit plans and estimates for the fortifications of the canal at the time when the estimates for annual canal construction were sent to the Secretary of the Treasury, because it was necessary for the board of officers to visit the Isthmus before deciding the place and extent and cost of the fortifications needed. The formal estimates for appropriations for the fortifications have now been submitted through the Secretary of the Treasury, in the manner required by law.

In the act providing "for the construction of a canal connecting the waters of the Atlantic and Pacific oceans," approved June 28, 1902 (the Spooner Act), it is stated that "The President * * * shall also cause to be constructed such safe and commodious harbors at the termini of said canal, and make such provisions for the defense as may be necessary for the safety and protection of said canal and harbors." This act indicates that it is the intention of Congress to provide for the defenses of the canal by appropriations made in the same acts which appropriate moneys for its construction.

The letter of the Secretary of War gives the reasons for submitting the present preliminary report of the board of officers, and for recommending that the Congress take action upon the subject of the report at its present session. I concur in these reasons, and I am of the opinion that such works as may be erected for the defense of the canal should be completed, occupied, and ready for operation at the time that the canal itself shall be completed and opened to the passage of vessels. I am encouraged to believe that this date will certainly not be later than the one which has hereto been fixed, namely, January 1, 1915.

WILLIAM H. TAFT.

[NOTE: This Message was accompanied by a report from the military board commissioned to report on fortifications for the termini and the course of the Panama Canal, in which $14,104,203 was estimated as the cost of defenses for the termini, and any estimate as to the cost of inland defenses was deferred until the board could obtain information regarding the availability and price of the necessary land. Congress was urged to make an appropriation for immediate use of at least $4,000,000, so the work might commence during 1910, thus allowing the trained canal workers with their machinery to assist in the work of construction.]

THE WHITE HOUSE, *May 9, 1910.*

To the House of Representatives:

On April 14th your House adopted the following resolution:

Resolved, That the President be, and he is hereby, requested to inform the House, if not incompatible with the public interest, what facts, if any, now exist which make inexpedient a thorough examination at this time by the House of Representatives of the frauds in the customs service mentioned by the President in his annual message to the Congress at this session.

I beg herewith to enclose a joint report of the Secretary of the Treasury and the Attorney-General showing exactly what has been done by them and by their subordinates and the present state of fact in the matter of the investigation of the frauds in the customs service mentioned by me in my annual message.

This report shows that the executive investigation and the investigation by the grand jury for the purpose of bringing the guilty persons to justice are not yet complete. The danger of granting immunity by a congressional investigation, while the executive and grand jury investigations and trials are proceeding is still a serious one. This is sufficiently illustrated by the case of Charles R. Heike, referred to in the report of the Secretary of the Treasury and the Attorney-General. Heike is the secretary of the American Sugar Refining Company, and is the highest official of the company said to be implicated in the frauds, except its late president, H. O. Havemeyer, who died two weeks after the first discovery of the frauds. In the investigation before the grand jury as to whether the American Refining Company is now a party to an illegal combination under the Sherman Antitrust Act, Heike was summoned officially, as the secretary of the refining company, to produce certain documents and furnish certain information respecting the inquiry under the antitrust law. In the trial of the indictment found against him for complicity in the frauds on the revenue effected by the false weighing of sugar, he filed a special plea in bar claiming immunity from the prosecution of the indictment by reason of his evidence before the grand jury in the antitrust case. His plea was overruled in the circuit court, but the question was carried to the Supreme Court, which refused to pass on it because not properly before the court now, leaving it still to be raised in the event of a conviction, upon appeal from the judgment of the circuit court.

The investigation into, and prosecution of, the frauds in the weighers' office are now nearly complete, though there are a number of indictments yet untried. The executive and judicial investigations into the frauds in the appraiser's office, however, are still proceeding. It will take a considerable time to complete them. It may be added that the character of the investigations into the weighers' and appraiser's offices is such that a congressional committee would have to wait upon such an expert search as is now proceeding to make clear the frauds. The grand jury investigation into the charge of country-wide monopoly against the refining company is being pressed with vigor; but the evidence is so voluminous and widespread that it is necessarily slow.

The primary duty with respect to frauds in the executive service falls upon the Executive to direct proper executive investigation, and upon the discovery of fraud and crime to direct judicial investigation for the purpose of recovering what is due the Government and of bringing to justice the guilty persons. It is further the duty of the Executive to make such executive changes in the service, both by removal of inefficient civil servants and by changes in official methods, as will render a recurrence of fraud less possible. The necessity for congressional investigation arises, first, when executive investigation is either not in good faith, or is lacking in vigor, and, second, when additional legislation is needed to provide new safeguards to prevent a recurrence of the frauds. A further advantage of congressional investigation is that it may hold up to just public condemnation many persons whose neglect of duty or whose ignoring of the public weal for political or other purpose, may have made such frauds possible, without subjecting them to criminal liability and conviction.

The report of the Secretary of the Treasury and the Attorney-General shows beyond question the utmost vigor and effectiveness in the investigation and prosecution up to this time of the frauds developed in the customs service and the achieving of exceptional results, as well in the collection of moneys of which the Government has been defrauded as in the apprehension, indictment, and punishment of participants in the frauds, and in the thorough reformation of the customs service with a view to a prevention of the recurrence of such frauds in the future.

A congressional investigation at this time would embarrass the executive department in the continuance and completion of the investigation of the appraiser's and other offices of the customs service. As soon as these investigations by the Executive and the grand jury are at an end I shall bring the fact to the knowledge of Congress.

WILLIAM H. TAFT.

[NOTE: The joint report by the Secretary of the Treasury and the Attorney-General relates that as the consequence of the discovery in November, 1907, at the port of New York, of a secret spring by which sugar was underweighed and the Government cheated out of dues, an investigation was undertaken by the Customs officials, together with the local United States District Attorney, into the business of all importers. Systematic corruption and equitable division of the spoils were discovered, involving all ranks from highest to lowest. The method was for the importer to retain half of the profit obtained by underweighing and to apportion the other half (which averaged $200 per ship) among the Government employees. Four men who actually applied the secret spring to the scales and their dock superintendent were convicted.

The sugar importers practised this fraud on a larger scale than the others. The chief offender was the American Sugar Refining Company, the so-called trust, which was completely and minutely run by H. O. Havemeyer, its president, whose death forestalled the Government prosecutors. Mr. Taft has related the progress of the prosecution of Havemeyer's chief assistant, Heike. The company's cashier escaped through the disagreement of a jury. This American Sugar Refining Company was also indicted by the Government for crimes in violation of the Anti-Trust Law. The company having resisted subpœnas, and defended such resistance on technical grounds, they were ordered by Judge Lacombe to comply with same; having declined to obey, they were found in contempt and fined $500, and were at the same time informed that subpœnas would issue hourly and fines be imposed as frequently unless they complied. The company yielded. The prosecution under the Anti-Trust Law was (May, 1910) awaiting hearing in the Supreme Court.

The investigations and prosecutions having extended to all the other sugar importing companies, the Government procured the restitution of the following sums: American Sugar Refining Company, $2,135,486.32; Arbuckle Brothers, $695,573.19; National Sugar Refining Company, $604,304.37; and negotiations were (May, 1910) pending for the restitution by the Federal Sugar Refining Company of $106,123.15.

The discovery of smaller frauds systematically committed by importers of Mediterranean products and dress goods, with the connivance of corrupt officials in all ranks from chief clerk of the surveyor's department down to the assistant weighers engaged in the actual weighing, led to the indictment of twenty-four importers, five assistant weighers, a former Government weigher, a baggage-master of a steamship company with his confederate, and thirteen dressmakers. Only one of the assistant weighers was convicted and sentenced, death, jury disagreements, and suspended sentences accounting for the rest. Only two of the importers had been tried, one going to twelve months' imprisonment and the other being acquitted. The former Government employee was convicted. The baggage-master and his accomplice were on trial, the latter having plead guilty. The thirteen dressmakers plead guilty and paid fines aggregating $34,750. More than $100,000 was paid to the Government for property of these kinds confiscated for fraud. Three importers guilty of smuggling were tried, two being sent to twelve months' imprisonment and the other, a woman, being fined $5,000.]

THE WHITE HOUSE, *May 17, 1910.*

To the Senate and House of Representatives:

I transmit herewith, for the information of the Congress, the final report of the Spanish Treaty Claims Commission, dated May 2, 1910.

WILLIAM H. TAFT.

[NOTE: The Spanish Treaty Claims Commission was created March 2, 1901, to investigate and settle claims by American citizens against Spain arising from injuries sustained during the insurrection and war, which claims the United States agreed in the treaty of 1898 to adjudicate and settle, while at the same time it relinquished all claim against Spain for indemnity. The Commission's Final Report, dated May 2, 1910, states that during the interval it considered and disposed of 542 claims aggregating $64,931,694.51, and made awards amounting, all told, to $1,387,845.74. The claims filed by enlisted officers and seamen of the battleship *Maine* or their representatives were ruled out on the ground that in international law the nation which employed the injured seamen and soldiers must present and prosecute their claims.]

THE WHITE HOUSE, *Washington, May 24, 1910.*

To the Senate and House of Representatives:

I transmit herewith a report by the Secretary of State concerning the legislation that is required on the part of the United States under the treaty between the United States and Great Britain signed on January 11, 1909, providing for the settlement of international differences between the United States and Great Britain, and commonly known as the "Waterways treaty."

It is important that legislation that will enable this Government to carry out its obligations under the treaty be enacted by Congress during its present session, and I ask for the report of the Secretary of State the early and favorable consideration of Congress.

WILLIAM H. TAFT.

[NOTE: The Secretary of State recommended that Congress should pass legislation providing for the manner of the appointment of three commissioners on the International Joint Commission, for their compensation and expenses, for the employment of necessary servants and for paraphernalia, for all of which purposes he considered $75,000 sufficient; and the Secretary also recommended that Congress give to the Commission the powers to administer oaths to witnesses, to take evidence on oath, to issue subpœnas and to compel the attendance of witnesses, through the agency of Federal Circuit Court for the circuit in which the Commission shall hold joint sessions.]

THE WHITE HOUSE, *June 7, 1910.*

To the Senate and House of Representatives:

A recent effort by a large number of railroad companies to increase rates for interstate transportation of persons and property caused me to direct the Attorney-General to bring a suit and secure from the United States court in Missouri an injunction restraining the operation of such increased rates during the pendency of the proceeding. This action led to a conference with the representatives of the railroad companies so enjoined and the agreement by each of them to withdraw the proposed increases of rates effective on or after June 1, and not to file any further attempted increases until after the enactment into law of the pending bill to amend the interstate-commerce act, or the adjournment of the Congress; with the further understanding that upon the enactment of such law each would submit to the determination of the Interstate Commerce Commission the question of the reasonableness of all increases that each might thereafter propose. It is my hope that all of the other railroad companies will take like action. In order, however, that each may have the benefit of a speedy determination of the question whether or not its proposed increases in rates are justifiable, provision should be made by Congress to vest the Interstate Commerce Commission with jurisdiction over such question as soon as possible.

In the Senate amendment to section 15 of the act to regulate commerce, contained in H. R. 17536, the Interstate Commerce Commission is empowered, immediately upon the filing of a proposed increase in rates, of its own motion, or upon complaint, to enter upon an investigation and determination of the justice and reasonableness of such increase, and in case it deems it expedient to suspend the operation thereof for a period specified in the section to enable it to complete such investigation. That bill, however, provides that the act shall take effect and be in force only from and after the expiration of sixty days after its passage.

This provision, if allowed to remain in the bill, would enable carriers, between the time of enactment of the bill and the time of its taking effect, to file increases in rates which would become effective at the expiration of thirty days, and remain in effect and be collected from the public during the pendency of proceedings to review them, whereas if the bill be made to take effect immediately such investigation will have to be made before the public is called upon to pay the increased rates.

I therefore recommend that this latter provision be modified by providing that at least section 9 of the Senate amendments to the bill, which is the section authorizing the commission to suspend the going into effect of increases in rates until after due investigation, shall take effect immediately upon the passage of the act.

WILLIAM H. TAFT.

THE WHITE HOUSE, *June 9, 1910.*

To the House of Representatives:

In response to the resolution of the House of Representatives of April 20, 1910, relative to the recent tariff negotiations between the Government of the United States and foreign governments made necessary by the tariff act of August 5, 1909, I transmit herewith reports by the Secretary of State, with accompanying papers, and the Secretary of the Treasury.

WILLIAM H. TAFT.

[NOTE: The tariff negotiations mentioned by President Taft resulted, according to the Secretary of State, in the application to American products by Germany, Austria-Hungary, Italy and Belgium of their minimum rates; in the general though not complete application by France of its minimum rates, though previously the maximum had been applied; and in the conclusion of tariff-lowering agreements with Greece, Servia, Bulgaria, Roumania, Brazil and Canada.]

THE WHITE HOUSE, *June 21, 1910.*

To the Senate and House of Representatives:

There are, perhaps, no questions in which the public has more acute interest than those relating to the disposition of the public domain. I am just in receipt from the Secretary of the Interior of recommendation that in disposition of important legal questions which he is called upon to decide relating to the public lands, an appeal be authorized from his decision to the court of appeals for the District of Columbia.

I fully indorse the views of the Secretary in this particular, which are set forth in his letter, transmitted herewith, and urge upon the Congress an early consideration of the subject.

WILLIAM H. TAFT.

[NOTE: The Secretary of the Interior recommended that legislation be enacted providing for appeal to the Court of Appeals for the District of Columbia from departmental decisions on cases involving property rights connected with the public domain, just as, under existing law, appeal may be had from decisions by the Patent Commissioner and by the Board of Customs Appraisers, respectively, to the Court of Appeals for the District of Columbia and to the United States Circuit Courts. Under the proposed legislation, the Interior Department, in anticipation of submission to the Court, would prepare and compile separately its findings of fact and conclusions of law. The Secretary believed that such legislation would soon produce a system of decisions by a court of recognized standing which would reduce the number and expedite the determination of controversies involving legal questions previously decided by the court.]

THE WHITE HOUSE, *June 25, 1910.*

To the Senate and House of Representatives:

I have approved the bill (H. R. 20686) entitled "An act making appropriations for the construction, repair, and preservation of certain public works on rivers and harbors, and for other purposes," and, while I have signed the bill, I venture to submit a memorandum of explanation and comment.

The bill is an important one and contains many excellent features. It provides for the canalization of the Ohio River, to be prosecuted at a rate which will insure its completion within twelve years; the improvement of the Mississippi River between Cairo and the Gulf of Mexico, to be completed within twenty years; of the Mississippi River between the mouth of the Missouri and the mouth of the Ohio River, to be completed within twelve years; of the Mississippi River between Minneapolis and the mouth of the Missouri River, to be completed within twelve years; of the Hudson River for the purpose of facilitating the use of the barge canal in the vicinity of Troy, N. Y.; of the Savannah River from Augusta to the sea, with a view to its completion within four years; of a 35-foot channel in the Delaware River from Philadelphia to the sea; of a 35-foot channel to Norfolk, Va.; of a 27-foot channel to Mobile, Ala.; of a 30-foot channel to Jacksonville, Fla.; of a 30-foot channel to Oakland, Cal. It also provides for greatly enlarged harbor facilities at certain important lake ports, including Ashtabula and Lorain, and enlarged facilities for the important commerce of the Detroit River. Indeed, it may be said that a great majority of the projects named in the bill are meritorious, and that money expended in their completion will not be wasted.

The chief defect in the bill is the large number of projects appropriated for and the uneconomical method of carrying on these projects by the appropriation of sums small in comparison to the amounts required to effect completion.

The figures convincingly establish the fact that this bill makes inadequate provision for too many projects. The total of the bill, $52,000,000, is not unduly large, but the policy of small appropriations with a great many different enterprises without provision for their completion is unwise. It tends to waste, because thus constructed the projects are likely to cost more than if they were left to contractors who were authorized to complete the whole work within a reasonably short time. The appropriation of a small sum lessens the sense of responsibility of those who are to adopt the project and who do not therefore give to their decision the care that they would give if the appropriation or contract involved the full amount needed for completion. Moreover, the appropriation of a comparatively small sum for a doubtful enterprise is thereafter used by its advocates to force further provision for it from Congress on the ground that the investment made is a conclusive recognition of the wisdom of the project, and its continuance becomes a necessity to save the money already spent. This has been called a "piecemeal" policy. It is proposed to remedy this defect by an annual river and harbor bill, but that hardly avoids the objections above cited, for such yearly appropriations are apt to be affected by the state of the Treasury and political exigency.

If enterprises are to be useful as encouraging means of transportation, they ought to be finished within a reasonable time. The delays in completing them postpone their usefulness and increase their cost. The proper policy, it seems to me, is to determine from the many projects proposed and recommended what are the most important, and then to proceed to complete them with due dispatch, and then to take up others and do the same thing with them.

There has been frequent discussion of late years as to the proper course to be pursued in the development of our inland waterways, and I think the general sentiment has been that we should have a comprehensive system agreed upon by some competent body of experts who should pass upon the relative merits of the various projects and recommend the order in which they should be begun and completed.

Under the present system every project is submitted to army engineers, who pass upon the question whether it ought to be adopted, but that have no power to pass upon the relative importance of the many different projects they approve or to suggest the most economical and businesslike order for their completion.

General Marshall, while Chief Engineer, at my request furnished me a memorandum in respect to the bill then pending in the Senate, in which he analyzed the criticisms made in the discussion of it in Congress. He considers the bill to be quite as good as any of its predecessors, but points out the defects I have mentioned above, and also suggests that the old projects provided for in the bill include some which were never recommended by the engineers and some which, though once recommended, would not be now recommended because of a change of condition.

Congress should refer the old projects to boards of army engineers for further consideration and recommendation. This would enable us to know what of the old works ought to be abandoned. General Marshall's plain intimation is that a number of old projects call for action of this kind.

I have given to the consideration of this bill the full ten days since its submission to me, and some time before that. The objections are to the system, for it may be conceded that the framers of the bill have made as good a bill as they could under the "piecemeal" policy. I once reached the conclusion that it was my duty to interpose a veto in order, if possible, to secure a change in the method of framing these bills. Subsequent consideration has altered my view as to my duty.

It is now three years since a river and harbor bill was passed. The projects under way are in urgent need of further appropriation for maintenance and continuance, and there is great and justified pressure for many of the new projects provided for by the bill. It has been made clear to me that the failure of the bill thus late in the session would seriously embarrass the constructing engineers. I do not think, therefore, the defects of the bill which I have pointed out will justify the postponement of all this important work; but I do think that in the preparation of the proposed future yearly bills Congress should adopt the reforms above suggested, and that a failure to do so would justify withholding executive approval, even though a river and harbor bill fail.

WILLIAM H. TAFT.

BY THE PRESIDENT OF THE UNITED STATES OF AMERICA.

A PROCLAMATION.

Thanksgiving, 1910.

This year of 1910 is drawing to a close. The records of population and harvests which are the index of progress show vigorous national growth and the health and prosperous well-being of our communities throughout this land and in our possessions beyond the seas. These blessings have not descended upon us in restricted measure, but overflow and abound. They are the blessings and bounty of God.

We continue to be at peace with the rest of the world. In all essential matters our relations with other peoples are harmonious, with an evergrowing reality of friendliness and depth of recognition of mutual dependence. It is especially to be noted that during the past year great progress has been achieved in the cause of arbitration and the peaceful settlement of international disputes.

Now, therefore, I, WILLIAM HOWARD TAFT, President of the United States of America, in accordance with the wise custom of the civil magistrate since the first settlements in this land and with the rule established from the foundation of this Government, do appoint Thursday, November 24, 1910, as a day of National Thanksgiving and Prayer, enjoining the people upon that day to meet in their churches for the praise of Almighty God and to return heartfelt thanks to Him for all His goodness and loving-kindness.

In witness whereof I have hereunto set my hand and caused the seal of the United States to be affixed.

Done at the City of Washington this fifth day of November, in the year of our Lord one thousand nine hundred and ten and of the independence of the United States the one hundred and thirty-fifth.

[SEAL.]

WILLIAM H. TAFT.

By the President:

ALVEY A. ADEE, *Acting Secretary of State.*

SECOND ANNUAL MESSAGE.

THE WHITE HOUSE, *December 6, 1910.*

To the Senate and House of Representatives:

During the past year the foreign relations of the United States have continued upon a basis of friendship and good understanding.

ARBITRATION.

The year has been notable as witnessing the pacific settlement of two important international controversies before the Permanent Court of The Hague.

The arbitration of the Fisheries dispute between the United States and Great Britain, which has been the source of nearly continuous diplomatic correspondence since the Fisheries Convention of 1818, has given an award which is satisfactory to both parties. This arbitration is particularly noteworthy not only because of the eminently just results secured, but also because it is the first arbitration held under the general arbitration treaty of April 4, 1908, between the United States and Great Britain, and disposes of a controversy the settlement of which has resisted every other resource of diplomacy, and which for nearly ninety years has been the cause of friction between two countries whose common interest lies in maintaining the most friendly and cordial relations with each other.

The United States was ably represented before the tribunal. The complicated history of the questions arising made the issue depend, more than ordinarily in such cases, upon the care and skill with which our case was presented, and I should be wanting in proper recognition of a great patriotic service if I did not refer to the lucid historical analysis of the facts and the signal ability and force of the argument —six days in length—presented to the Court in support of our case by Mr. Elihu Root. As Secretary of State, Mr. Root had given close study to the intricate facts bearing on the controversy, and by diplomatic correspondence had helped to frame the issues. At the solicitation of the Secretary of State and myself, Mr. Root, though burdened by his duties as Senator from New York, undertook the preparation of the case as leading counsel, with the condition imposed by himself that, in view of his position as Senator, he should not receive any compensation.

The Tribunal constituted at The Hague by the Governments of the United States and Venezuela has completed its deliberations and has rendered an award in the case of the Orinoco Steamship Company against Venezuela. The award may be regarded as satisfactory since it has, pursuant to the contentions of the United States, recognized a number of important principles making for a judicial attitude in the determining of international disputes.

In view of grave doubts which had been raised as to the constitutionality of The Hague Convention for the establishment of an International Prize Court, now before the Senate for ratification, because of that provision of the Convention which provides that there may be an appeal to the proposed Court from the decisions of national courts, this government proposed in an Identic Circular Note addressed to those Powers who had taken part in the London Maritime Conference, that the powers signatory to the Convention, if confronted with such difficulty, might insert a reservation to the effect that appeals to the International Prize Court in respect to decisions of its national tribunals, should take the form of a direct claim for compensation; that the proceedings thereupon to be taken should be in the form of a trial *de novo,* and that judgment of the Court should consist of compensation for the illegal capture, irrespective of the decision of the national court whose judgment had thus been internationally involved. As the result of an informal discussion it was decided to provide such procedure by means of a separate protocol which should be ratified at the same time as the Prize Court Convention itself.

Accordingly, the Government of the Netherlands, at the request of this Government, proposed under date of May 24, 1910, to the powers signatory to The Hague Convention, the negotiation of a supplemental protocol embodying stipulations providing for this alternative procedure. It is gratifying to observe that this additional protocol is being signed without objection, by the powers signatory to the original convention, and there is every reason to believe that the International Prize Court will be soon established.

The Identic Circular Note also proposed that the International Prize Court when established should be endowed with the functions of an Arbitral Court of Justice under and pursuant to the recommendation adopted by the last Hague Conference. The replies received from the various powers to this proposal inspire the hope that this also may be accomplished within the reasonably near future.

It is believed that the establishment of these two tribunals will go a long way toward securing the arbitration of many questions which have heretofore threatened and, at times, destroyed the peace of nations.

PEACE COMMISSION.

Appreciating these enlightened tendencies of modern times, the Congress at its last session passed a law providing for the appointment of a commission of five members "to be appointed by the President of the United States to consider the expediency of utilizing existing international agencies for the purpose of limiting the armaments of the nations of the world by international agreement, and of constituting the combined navies of the world an international force for the preservation of universal peace, and to consider and report upon any other means to diminish the expenditures of government for military purposes and to lessen the probabilities of war."

I have not as yet made appointments to this Commission because I have invited and am awaiting the expressions of foreign governments as to their willingness to cooperate with us in the appointment of similar commissions or representatives who would meet with our commissioners and by joint action seek to make their work effective.

GREAT BRITAIN AND CANADA.

Several important treaties have been negotiated with Great Britain in the past twelve months. A preliminary diplomatic agreement has been reached regarding the arbitration of pecuniary claims which each Government has against the other. This agreement, with the schedules of claims annexed, will, as soon as the schedules are arranged, be submitted to the Senate for approval.

An agreement between the United States and Great Britain with regard to the location of the international boundary line between the United States and Canada in Passamaquoddy Bay and to the middle of Grand Manan Channel was reached in a Treaty concluded May 21, 1910, which has been ratified by both Governments and proclaimed, thus making unnecessary the arbitration provided for in the previous treaty of April 11, 1908.

The Convention concluded January 11, 1909, between the United States and Great Britain providing for the settlement of international differences between the United States and Canada including the apportionment between the two countries of certain of the boundary waters and the appointment of Commissioners to adjust certain other questions has been ratified by both Governments and proclaimed.

The work of the International Fisheries Commission appointed in 1908, under the treaty of April 11, 1908, between Great Britain and the United States, has resulted in the formulation and recommendation of uniform regulations governing the fisheries of the boundary waters of Canada and the United States for the purpose of protecting and increasing the supply of food fish in such waters. In completion of this work, the regulations agreed upon require congressional legislation to make them effective and for their enforcement in fulfillment of the treaty stipulations.

PORTUGAL.

In October last the monarchy in Portugal was overthrown, a provisional Republic was proclaimed, and there was set up a de facto Government which was promptly recognized by the Government of the United States for purposes of ordinary intercourse pending formal recognition by this and other Powers of the Governmental entity to be duly established by the national sovereignty.

LIBERIA.

A disturbance among the native tribes of Liberia in a portion of the Republic during the early part of this year resulted in the sending, under the Treaty of 1862, of an American vessel of war to the disaffected district, and the Liberian authorities, assisted by the good offices of the American Naval Officers, were able to restore order. The negotiations which have been undertaken for the amelioration of the conditions found in Liberia by the American Commission, whose report I transmitted to Congress on March 25 last, are being brought to conclusion, and it is thought that within a short time practical measures of relief may be put into effect through the good offices of this Government and the cordial cooperation of other governments interested in Liberia's welfare.

THE NEAR EAST.

TURKEY.

To return the visit of the Special Embassy announcing the accession of His Majesty Mehemet V, Emperor of the Ottomans, I sent to Constantinople a Special Ambassador who, in addition to this mission of ceremony, was charged with the duty of expressing to the Ottoman Government the value attached by the Government of the United States to increased and more important relations between the countries and the desire of the United States to contribute to the larger economic and commercial development due to the new régime in Turkey.

The rapid development now beginning in that ancient empire and the marked progress and increased commercial importance of Bulgaria, Roumania, and Servia make it particularly opportune that the possibilities of American commerce in the Near East should receive due attention.

MONTENEGRO.

The National Skoupchtina having expressed its will that the Principality of Montenegro be raised to the rank of Kingdom, the Prince of Montenegro on August 15 last assumed the title of King of Montenegro. It gave me pleasure to accord to the new kingdom the recognition of the United States.

THE FAR EAST.

The center of interest in Far Eastern affairs during the past year has again been China.

It is gratifying to note that the negotiations for a loan to the Chinese Government for the construction of the trunk railway lines from Hankow southward to Canton and westward through the Yangtse Valley, known as the Hukuang Loan, were concluded by the representatives of the various financial groups in May last and the results approved by their respective governments. The agreement, already initialed by the Chinese Government, is now awaiting formal ratification. The basis of the settlement of the terms of this loan was one of exact equality between America, Great Britain, France, and Germany in respect to financing the loan and supplying materials for the proposed railways and their future branches.

The application of the principle underlying the policy of the United States in regard to the Hukuang Loan, viz., that of the internationalization of the foreign interest in such of the railways of China as may be financed by foreign countries, was suggested on a broader scale by the Secretary of State in a proposal for internationalization and commercial neutralization of all the railways of Manchuria. While the principle which led to the proposal of this Government was generally admitted by the powers to whom it was addressed, the Governments of Russia and Japan apprehended practical difficulties in the execution of the larger plan which prevented their ready adherence. The question of constructing the Chinchow-Aigun railway by means of an international loan to China is, however, still the subject of friendly discussion by the interested parties.

The policy of this Government in these matters has been directed by a desire to make the use of American capital in the development of China an instrument in the promotion of China's welfare and material prosperity without prejudice to her legitimate rights as an independent political power.

This policy has recently found further exemplification in the assistance given by this Government to the negotiations between China and a group of American bankers for a loan of $50,000,000 to be employed chiefly in currency reform. The confusion which has from ancient times existed in the monetary usages of the Chinese has been one of the principal obstacles to commercial intercourse with that people. The United States in its Treaty of 1903 with China obtained a pledge from the latter to introduce a uniform national coinage, and the following year, at the request of China, this Government sent to Peking a member of the International Exchange Commission, to discuss with the Chinese Government the best methods of introducing the reform. In 1908 China sent a Commissioner to the United States to consult with American financiers as to the possibility of securing a large loan with which to inaugurate the new currency system, but the death of Their Majesties, the Empress Dowager and the Emperor of China, interrupted the negotiations, which were not resumed until a few months ago, when this Government was asked to communicate to the bankers concerned the request of China for a loan of $50,000,000 for the purpose under review. A preliminary agreement between the American group and China has been made covering the loan.

For the success of this loan and the contemplated reforms which are of the greatest importance to the commercial interests of the United States and the civilized world at large, it is realized that an expert will be necessary, and this Government has received assurances from China that such an adviser, who shall be an American, will be engaged.

It is a matter of interest to Americans to note the success which is attending the efforts of China to establish gradually a system of representative government. The provincial assemblies were opened in October, 1909, and in October of the present year a consultative body, the nucleus of the future national parliament, held its first session at Peking.

The year has further been marked by two important international agreements relating to Far Eastern affairs. In the Russo-Japanese Agreement relating to Manchuria, signed July 4, 1910, this Government was gratified to note an assurance of continued peaceful conditions in that region and the reaffirmation of the policies with respect to China to which the United States together with all other interested powers are alike solemnly committed.

The treaty annexing Korea to the Empire of Japan, promulgated August 29, 1910, marks the final step in a process of control of the ancient empire by her powerful neighbor that has been in progress for several years past. In communicating the fact of annexation the Japanese Government gave to the Government of the United States assurances of the full protection of the rights of American citizens in Korea under the changed conditions.

Friendly visits of many distinguished persons from the Far East have been made during the year. Chief among these were Their Imperial Highnesses Princes Tsai-tao and Tsai-Hsun of China; and His Imperial Highness Prince Higashi Fushimi, and Prince Tokugawa, President of the House of Peers of Japan. The Secretary of War has recently visited Japan and China in connection with his tour to the Philippines, and a large delegation of American business men are at present traveling in China. This exchange of friendly visits has had the happy effect of even further strengthening our friendly international relations.

LATIN AMERICA.

During the past year several of our southern sister Republics celebrated the one hundredth anniversary of their independence. In honor of these events, special embassies were sent from this country to Argentina, Chile, and Mexico, where the gracious reception and splendid hospitality extended them manifested the cordial relations and friendship existing between those countries and the United States, relations which I am happy to believe have never before been upon so high a plane and so solid a basis as at present.

The Congressional commission appointed under a concurrent resolution to attend the festivities celebrating the centennial anniversary of Mexican independence, together with a special ambassador, were received with the highest honors and with the greatest cordiality, and returned with the report of the bounteous hospitality and warm reception of President Diaz and the Mexican people, which left no doubt of the desire of the immediately neighboring Republic to continue the mutually beneficial and intimate relations which I feel sure the two governments will ever cherish.

THE MEXICAN REVOLUTION OF 1911

THE MEXICAN REVOLUTION OF 1911

Madero, the leader of this movement, is the man on horseback. The photograph was made in front of his headquarters, nicknamed the White House, in Ciudad Juarez, just after the capture of that place from the Mexican Regulars. The upper panel shows a typical group of his men around a cannon which was made out of a locomotive under the direction of Garibaldi, a descendant of the Italian patriot and associate of Madero. One or two Americans appear in the group. The portion of Madero's army commanded by Colonel Garibaldi was called the "Foreign Legion," and the majority of the foreigners in it were Americans. They performed remarkably well at the taking of Juarez. The lower panel shows a body of Rurales passing through Mexico City on their way to the front. These men were the chief asset of the Diaz régime, and were reputed to be incorruptible. When the acid test of war was applied to them, however, they were found lacking in loyalty, courage, equipment and intelligence.

The articles entitled "Mexico" and "Mexico, Treaties with," in the encyclopedic index (volume eleven), will give further information as to Mexico itself and our relations with her.

At the Fourth Pan-American Conference which met in Buenos Aires during July and August last, after seven weeks of harmonious deliberation, three conventions were signed providing for the regulation of trade-marks, patents, and copyrights, which when ratified by the different Governments, will go far toward furnishing to American authors, patentees, and owners of trade-marks the protection needed in localities where heretofore it has been either lacking or inadequate. Further, a convention for the arbitration of pecuniary claims was signed and a number of important resolutions passed. The Conventions will in due course be transmitted to the Senate, and the report of the Delegation of the United States will be communicated to the Congress for its information. The special cordiality between representative men from all parts of America which was shown at this Conference cannot fail to react upon and draw still closer the relations between the countries which took part in it.

The International Bureau of American Republics is doing a broad and useful work for Pan American commerce and comity. Its duties were much enlarged by the International Conference of American States at Buenos Aires and its name was shortened to the more practical and expressive term of Pan American Union. Located now in its new building, which was specially dedicated April 26 of this year to the development of friendship, trade and peace among the American nations, it has improved instrumentalities to serve the twenty-two republics of this hemisphere.

I am glad to say that the action of the United States in its desire to remove imminent danger of war between Peru and Ecuador growing out of a boundary dispute, with the cooperation of Brazil and the Argentine Republic as joint mediators with this Government, has already resulted successfully in preventing war. The Government of Chile, while not one of the mediators, lent effective aid in furtherance of a preliminary agreement likely to lead on to an amicable settlement, and it is not doubted that the good offices of the mediating Powers and the conciliatory cooperation of the Governments directly interested will finally lead to a removal of this perennial cause of friction between Ecuador and Peru. The inestimable value of cordial cooperation between the sister republics of America for the maintenance of peace in this hemisphere has never been more clearly shown than in this mediation, by which three American Governments have given to this hemisphere the honor of first invoking the most far-reaching provisions of The Hague Convention for the pacific settlement of international disputes.

There has been signed by the representatives of the United States and Mexico a protocol submitting to the United States-Mexican Boundary Commission (whose membership for the purpose of this case is to be increased by the addition of a citizen of Canada) the question of sovereignty over the Chamizal Tract which lies within the present physical boundaries of the city of El Paso, Tex. The determination of this question will remove a source of no little annoyance to the two Governments.

The Republic of Honduras has for many years been burdened with a heavy bonded debt held in Europe, the interest on which long ago fell in arrears. Finally conditions were such that it became imperative to refund the debt and place the finances of the Republic upon a sound basis. Last year a group of American bankers undertook to do this and to advance funds for railway and other improvements contributing directly to the country's prosperity and commerce—an arrangement which has long been desired by this Government. Negotiations to this end have been under way for more than a year and it is now confidently believed that a short time will suffice to conclude an arrangement which will be satisfactory to the foreign creditors, eminently advantageous to Honduras, and highly creditable to the judgment and foresight of the Honduranean Government. This is much to be desired since, as recognized by the Washington Conventions, a strong Honduras would tend immensely to the progress and prosperity of Central America.

During the past year the Republic of Nicaragua has been the scene of internecine struggle. General Zelaya, for seventeen years the absolute ruler of Nicaragua, was throughout his career the disturber of Central America and opposed every plan for the promotion of peace and friendly relations between the five republics. When the people of Nicaragua were finally driven into rebellion by his lawless exactions, he violated the laws of war by the unwarranted execution of two American citizens who had regularly enlisted in the ranks of the revolutionists. This and other offenses made it the duty of the American Government to take measures with a view to ultimate reparation and for the safeguarding of its interests. This involved the breaking off of all diplomatic relations with the Zelaya Government for the reasons laid down in a communication from the Secretary of State, which also notified the contending factions in Nicaragua that this Government would hold each to strict accountability for outrages on the rights of American citizens. American forces were sent to both coasts of Nicaragua to be in readiness should occasion arise to protect Americans and their interests, and remained there until the war was over and peace had returned to that unfortunate country. These events, together with Zelaya's continued exactions, brought him so clearly to the bar of public opinion that he was forced to resign and to take refuge abroad.

In the above-mentioned communication of the Secretary of State to the Chargé d'Affaires of the Zelaya Government, the opinion was expressed that the revolution represented the wishes of the majority of the Nicaraguan people. This has now been proved beyond doubt by the fact that since the complete overthrow of the Madriz Government and the occupation of the capital by the forces of the revolution, all factions have united to maintain public order and as a result of discussion with an Agent of this Government, sent to Managua at the request of the Provisional Government, comprehensive plans are being made for the future welfare of Nicaragua, including the rehabilitation of public credit. The moderation and conciliatory spirit shown by the various factions give ground for the confident hope that Nicaragua will soon take its rightful place among the law-abiding and progressive countries of the world.

It gratifies me exceedingly to announce that the Argentine Republic some months ago placed with American manufacturers a contract for the construction of two battle-ships and certain additional naval equipment. The extent of this work and its importance to the Argentine Republic make the placing of the bid an earnest of friendly feeling toward the United States.

TARIFF NEGOTIATIONS.

The new tariff law, in section 2, respecting the maximum and minimum tariffs of the United States, which provisions came into effect on April 1, 1910, imposed upon the President the responsibility of determining prior to that date whether or not any undue discrimination existed against the United States and its products in any country of the world with which we sustained commercial relations.

In the case of several countries instances of apparent undue discrimination against American commerce were found to exist. These discriminations were removed by negotiation. Prior to April 1, 1910, when the maximum tariff was to come into operation with respect to importations from all those countries in whose favor no proclamation applying the minimum tariff should be issued by the President, one hundred and thirty-four such proclamations were issued. This series of proclamations embraced the entire commercial world, and hence the minimum tariff of the United States has been given universal application, thus testifying to the satisfactory character of our trade relations with foreign countries.

Marked advantages to the commerce of the United States were obtained through these tariff settlements. Foreign nations are fully cognizant of the fact that under section 2 of the tariff act the President is required, whenever he is satisfied that the treatment accorded by them to the products of the United States is not such as to entitle them to the benefits of the minimum tariff of the United States, to withdraw those benefits by proclamation giving ninety days' notice, after which the maximum tariff will apply to their dutiable products entering the United States. In its general operation this section of the tariff law has thus far proved a guaranty of continued commercial peace, although there are unfortunately instances where foreign governments deal arbitrarily with American interests within their jurisdiction in a manner injurious and inequitable.

The policy of broader and closer trade relations with the Dominion of Canada which was initiated in the adjustment of the maximum and minimum provisions of the Tariff Act of August, 1909, has proved mutually beneficial. It justifies further efforts for the readjustment of the commercial relations of the two countries so that their commerce may follow the channels natural to contiguous countries and be commensurate with the steady expansion of trade and industry on both sides of the boundary line. The reciprocation on the part of the Dominion Government of the sentiment which was expressed by this Government was followed in October by the suggestion that it would be glad to have the negotiations, which had been temporarily suspended during the summer, resumed. In accordance with this suggestion the Secretary of State, by my direction, dispatched two representatives of the Department of State as special commissioners to Ottawa to confer with representatives of the Dominion Government. They were authorized to take such steps for formulating a reciprocal trade agreement as might be necessary and to receive and consider any propositions which the Dominion Government might care to submit.

Pursuant to the instructions issued conferences were held by these commissioners with officials of the Dominion Government at Ottawa in the early part of November.

The negotiations were conducted on both sides in a spirit of mutual accommodation. The discussion of the common commercial interests of the two countries had for its object a satisfactory basis for a trade arrangement which offers the prospect of a freer interchange for the products of the United States and of Canada. The conferences were adjourned to be resumed in Washington in January, when it is hoped that the aspiration of both Governments for a mutually advantageous measure of reciprocity will be realized.

FOSTERING FOREIGN TRADE.

All these tariff negotiations, so vital to our commerce and industry, and the duty of jealously guarding the equitable and just treatment of our products, capital, and industry abroad devolve upon the Department of State.

The Argentine battle-ship contracts, like the subsequent important one for Argentine railway equipment, and those for Cuban Government vessels, were secured for our manufacturers largely through the good offices of the Department of State.

The efforts of that Department to secure for citizens of the United States equal opportunities in the markets of the world and to expand American commerce have been most successful. The volume of business obtained in new fields of competition and upon new lines is already very great and Congress is urged to continue to support the Department of State in its endeavors for further trade expansion.

Our foreign trade merits the best support of the Government and the most earnest endeavor of our manufacturers and merchants, who, if they do not already in all cases need a foreign market, are certain soon to become dependent on it. Therefore, now is the time to secure a strong position in this field.

AMERICAN BRANCH BANKS ABROAD.

I cannot leave this subject without emphasizing the necessity of such legislation as will make possible and convenient the establishment of American banks and branches of American banks in foreign countries. Only by such means can our foreign trade be favorably financed, necessary credits be arranged, and proper avail be made of commercial opportunities in foreign countries, and most especially in Latin America.

AID TO OUR FOREIGN MERCHANT MARINE.

Another instrumentality indispensable to the unhampered and natural development of American commerce is merchant marine. All maritime and commercial nations recognize the importance of this factor. The greatest commercial nations, our competitors, jealously foster their merchant marine. Perhaps nowhere is the need for rapid and direct mail, passenger and freight communication quite so urgent as between the United States and Latin America. We can secure in no other quarter of the world such immediate benefits in friendship and commerce as would flow from the establishment of direct lines of communication with the countries of Latin America adequate to meet the requirements of a rapidly increasing appreciation of the reciprocal dependence of the countries of the Western Hemisphere upon each other's products, sympathies and assistance.

I alluded to this most important subject in my last annual message; it has often been before you and I need not recapitulate the reasons for its recommendation. Unless prompt action be taken the completion of the Panama Canal will find this the only great commercial nation unable to avail in international maritime business of this great improvement in the means of the world's commercial intercourse.

Quite aside from the commercial aspect, unless we create a merchant marine, where can we find the seafaring population necessary as a natural naval reserve and where could we find, in case of war, the transports and subsidiary vessels without which a naval fleet is arms without a body? For many reasons I cannot too strongly urge upon the Congress the passage of a measure by mail subsidy or other subvention adequate to guarantee the establishment and rapid development of an American merchant marine, and the restoration of the American flag to its ancient place upon the seas.

Of course such aid ought only to be given under conditions of publicity of each beneficiary's business and accounts which would show that the aid received was needed to maintain the trade and was properly used for that purpose.

FEDERAL PROTECTION TO ALIENS.

With our increasing international intercourse, it becomes incumbent upon me to repeat more emphatically than ever the recommendation which I made in my Inaugural Address that Congress shall at once give to the Courts of the United States jurisdiction to punish as a crime the violation of the rights of aliens secured by treaty with the United States, in order that the general government of the United States shall be able, when called upon by a friendly nation, to redeem its solemn promise by treaty to secure to the citizens or subjects of that nation resident in the United States, freedom from violence and due process of law in respect to their life, liberty and property.

MERIT SYSTEM FOR DIPLOMATIC AND CONSULAR SERVICE.

I also strongly commend to the favorable action of the Congress the enactment of a law applying to the diplomatic and consular service the principles embodied in Section 1753 of the Revised Statutes of the United States, in the Civil Service Act of January 16, 1883, and the Executive Orders of June 27, 1906, and of November 26, 1909. The excellent results which have attended the partial application of Civil Service principles to the diplomatic and consular services are an earnest of the benefit to be wrought by a wider and more permanent extension of those principles to both branches of the foreign service. The marked improvement in the consular service during the four years since the principles of the Civil Service Act were applied to that service in a limited way, and the good results already noticeable from a similar application of civil service principles to the diplomatic service a year ago, convince me that the enactment into law of the general principles of the existing executive regulations could not fail to effect further improvement of both branches of the foreign service, offering as it would by its assurance of permanency of tenure and promotion on merit, an inducement for the entry of capable young men into the service and an incentive to those already in to put forth their best efforts to attain and maintain that degree of efficiency which the interests of our international relations and commerce demand.

GOVERNMENT OWNERSHIP OF OUR EMBASSY AND LEGATION PREMISES.

During many years past appeals have been made from time to time to Congress in favor of Government ownership of embassy and legation premises abroad. The arguments in favor of such ownership have been many and oft repeated and are well known to the Congress. The acquisition by the Government of suitable residences and offices for its diplomatic officers, especially in the capitals of the Latin-American States and of Europe, is so important and necessary to an improved diplomatic service that I have no hesitation in urging upon the Congress the passage of some measure similar to that favorably reported by the House Committee on Foreign Affairs on February 14, 1910 (Report No. 438), that would authorize the gradual and annual acquisition of premises for diplomatic use.

The work of the Diplomatic Service is devoid of partisanship; its importance should appeal to every American citizen and should receive the generous consideration of the Congress.

TREASURY DEPARTMENT.

ESTIMATES FOR NEXT YEAR'S EXPENSES.

Every effort has been made by each department chief to reduce the estimated cost of his department for the ensuing fiscal year ending June 30, 1912. I say this in order that Congress may understand that these estimates thus made present the smallest sum which will maintain the departments, bureaus, and offices of the Government and meet its other obligations under existing law, and that a cut of these estimates would result in embarrassing the executive branch of the Government in the performance of its duties. This remark does not apply to the river and harbor estimates, except to those for expenses of maintenance and the meeting of obligations under authorized contracts, nor does it apply to the public building bill nor to the navy building program. Of course, as to these Congress could withhold any part or all of the estimates for them without interfering with the discharge of the ordinary obligations of the Government or the performance of the functions of its departments, bureaus, and offices.

A FIFTY-TWO MILLION CUT.

The final estimates for the year ending June 30, 1912, as they have been sent to the Treasury, on November 29 of this year, for the ordinary expenses of the Government, including those for public buildings, rivers and harbors, and the navy building program, amount to $630,494,013.12. This is $52,964,887.36 less than the appropriations for the fiscal year ending June 30, 1911. It is $16,883,153.44 less than the total estimates, including supplemental estimates submitted to Congress by the Treasury for the year 1911, and is $5,574,659.39 less than the original estimates submitted by the Treasury for 1911.

These figures do not include the appropriations for the Panama Canal, the policy in respect to which ought to be, and is, to spend as much each year as can be economically and effectively expended in order to complete the Canal as promptly as possible, and, therefore, the ordinary motive for cutting down the expense of the Government does not apply to appropriations for this purpose. It will be noted that the estimates for the Panama Canal for the ensuing year are more than fifty-six millions of dollars, an increase of twenty millions over the amount appropriated for this year—a difference due to the fact that the estimates for 1912 include something over nineteen millions for the fortification of the Canal. Against the estimated expenditures of $630,494,013.12, the Treasury has estimated receipts for next year $680,000,000, making a probable surplus of ordinary receipts over ordinary expenditures of about $50,000,000.

A table showing in detail the estimates and the comparisons referred to follows. (See next page.)

TYPICAL ECONOMIES.

The Treasury Department is one of the original departments of the Government. With the changes in the monetary system made from time to time and with the creation of national banks, it was thought necessary to organize new bureaus and divisions which were added in a somewhat haphazard way and resulted in a duplication of duties which might well now be ended. This lack of system and economic coordination has attracted the attention of the head of that Department who has been giving his time for the last two years, with the aid of experts and by consulting his bureau chiefs, to its reformation. He has abolished four hundred places in the civil service without at all injuring its efficiency. Merely to illustrate the character of the reforms that are possible, I shall comment on some of the specific changes that are being made, or ought to be made by legislative aid.

AUDITING SYSTEM.

The auditing system in vogue is as old as the Government and the methods used are antiquated. There are six Auditors and seven Assistant Auditors for the nine departments, and under the present system the only function which the Auditor of a department exercises is to determine, on accounts presented by disbursing officers, that the

Statement of estimates of appropriations for the fiscal years 1912 and 1911, and of appropriations for 1911, showing increases and decreases.

	Final estimates for 1912 as of November 29.	Original estimates submitted by the Treasury for 1911.	Total estimates for 1911 including supplementals.	Appropriations for 1911.	Increase (+) and decrease (−), 1912 estimates against 1911 total estimates.	Increase (+) and decrease (−), 1912 estimates against 1911 appropriations.	Increase (+) and decrease (−), 1911 estimates against 1911 appropriations.
Legislative	$13,426,805.73	$13,169,679.70	$13,169,679.70	$12,938,048.00	+ $257,126.03	+ $488,757.73	+ $231,631.70
Executive	998,170.00	472,270.00	722,270.00	870,750.00	+ 275,900.00	+ 127,420.00	− 148,480.00
State Department	4,875,576.41	4,576,301.41	4,749,801.41	5,046,701.41	+ 125,775.00	− 171,125.00	− 296,900.00
Treasury Department:							
Treasury Department proper	68,735,451.00	69,865,240.00	70,393,543.75	69,973,434.61	− 1,658,092.75	− 1,237,983.61	+ 420,109.14
Public buildings and works	11,864,545.60	6,198,365.60	7,101,465.60	5,565,164.00	+ 4,763,080.00	+ 6,299,381.60	+ 1,536,301.60
Territorial governments	202,150.00	287,350.00	292,350.00	282,600.00	− 90,200.00	− 80,450.00	+ 9,750.00
Independent offices	2,638,695.12	2,400,695.12	2,492,695.12	2,128,695.12	+ 146,000.00	+ 510,000.00	+ 364,000.00
District of Columbia	13,602,785.90	11,884,928.49	12,108,878.49	11,440,345.99	+ 1,493,907.41	+ 2,162,439.91	+ 668,532.50
War Department:							
War Department proper	120,104,260.12	124,165,656.28	125,717,204.77	122,322,178.12	− 5,612,944.65	− 2,217,918.00	+ 3,395,026.65
Rivers and harbors	28,232,438.00	28,232,465.00	28,232,465.00	49,390,541.50	− 27.00	−21,158,103.50	−21,158,076.50
Navy Department:							
Navy Department proper	116,101,730.24	117,029,914.38	119,768,860.83	119,596,870.46	− 3,667,130.59	− 3,495,140.22	+ 171,990.37
New navy building program	12,840,428.00	12,844,122.00	12,844,122.00	14,790,122.00	− 3,694.00	− 1,949,694.00	− 1,946,000.00
Interior Department	189,151,875.00	191,224,182.90	193,948,582.02	214,754,278.00	− 4,796,707.02	−25,602,403.00	−20,805,695.98
Post-Office Department proper	1,697,490.00	1,695,690.00	1,695,690.00	2,085,005.33	+ 1,800.00	− 387,515.33	− 389,315.33
Deficiency in postal revenues	....	10,634,122.63	10,634,122.63	10,634,122.63	−10,634,122.65	−10,634,122.63	....
Department of Agriculture	19,681,066.00	17,681,136.00	17,753,931.24	17,821,836.00	+ 1,927,134.76	+ 1,859,230.00	− 67,904.76
Department of Commerce and Labor	16,276,970.00	14,187,913.00	15,789,271.00	14,169,969.32	+ 487,699.00	+ 2,107,000.68	+ 1,619,301.68
Department of Justice	10,063,576.00	9,518,640.00	9,962,233.00	9,648,237.99	+ 101,343.00	+ 415,338.01	+ 313,995.01
Total ordinary	630,494,013.12	636,068,672.51	647,377,166.56	683,458,900.48	−16,883,153.44	−52,964,887.36	−36,081,733.92
Panama Canal	56,920,847.69	48,063,524.70	52,063,524 70	37,855,000.00	+ 4,857,322.99	+19,065,847.69	+14,208,524.70
Total	687,414,860.81	684,132,197.21	699,440,691.26	721,313,900.48	−12,025,830.45	−33,899,039.67	−21,873,209.22

object of the expenditure was within the law and the appropriation made by Congress for the purpose on its face, and that the calculations in the accounts are correct. He does not examine the merits of the transaction or determine the reasonableness of the price paid for the articles purchased, nor does he furnish any substantial check upon disbursing officers and the heads of departments or bureaus with sufficient promptness to enable the Government to recoup itself in full measure for unlawful expenditure. A careful plan is being devised and will be presented to Congress with the recommendation that the force of auditors and employees under them be greatly reduced, thereby effecting substantial economy. But this economy will be small compared with the larger economy that can be effected by consolidation and change of methods. The possibilities in this regard have been shown in the reduction of expenses and the importance of methods and efficiency in the office of the Auditor for the Post Office Department, who, without in the slightest degree impairing the comprehensiveness and efficiency of his work, has cut down the expenses of his office $120,000 a year.

CUSTOMS COLLECTION.

Again, in the collection of the revenues, especially the customs revenues, a very great improvement has been effected, and further improvements are contemplated. By the detection of frauds in weighing sugar, upwards of $3,400,000 have been recovered from the beneficiaries of the fraud, and an entirely new system free from the possibilities of such abuse has been devised. The Department has perfected the method of collecting duties at the Port of New York so as to save the Government upwards of ten or eleven million dollars; and the same spirit of change and reform has been infused into the other customs offices of the country.

The methods used at many places are archaic. There would seem to be no reason at all why the Surveyor of the Port, who really acts for the Collector, should not be a subordinate of the Collector at a less salary and directly under his control, and there is but little reason for the existence of the Naval Officer, who is a kind of local auditor. His work is mainly an examination of accounts which is conducted again in Washington and which results in no greater security to the Government. The Naval Officers in the various ports are Presidential appointees, many of them drawing good salaries, and those offices should be abolished or with reduced force made part of the central auditing system.

There are entirely too many customs districts and too many customs collectors. These districts should be consolidated and the collectors in charge of them, who draw good salaries, many of them out of proportion to the collections made, should be abolished or treated as mere branch offices, in accordance with the plan of the Treasury Department, which will be presented for the consideration of Congress. As an illustration, the cost of collecting $1 of revenue at typical small ports like the port of York, Me., was $50.04. At the port of Annapolis, Md., it cost $309.41 to collect $1 of revenue; at Natchez, $52.76; at Alexandria, Va., $122.49.

It is not essential to the preventing of smuggling that customs districts should be increased in number. The violation of the customs laws can be quite as easily prevented, and much more economically, by the revenue-cutter service and by the use of the special agent traveling force of the Treasury Department. A reorganization of the special customs agents has been perfected with a view to retaining only those who have special knowledge of the customs laws, regulations, and usual methods of evasion, and with this improvement, there will be no danger to the Government from the recommended consolidation and abolition of customs districts.

An investigation of the appraising system now in vogue in New York City has shown a sacrifice of the interests of the Government by under-appraisement, which is in the course of being remedied by reorganization and the employment of competent experts. Prosecutions have been instituted growing out of the frauds there discovered and are now awaiting hearing in the Federal Courts.

Very great improvements have been made in respect to the mints and assay offices. Diminished appropriations have been asked for those whose continuance is unnecessary, and this year's estimate of expenses is $326,000 less than two years ago. There is an opportunity for further saving in the abolition of several mints and assay offices that have now become unnecessary. Modern machinery has been installed there, more and better work has been done, and the appropriations have been consequently diminished.

In the Bureau of Engraving and Printing, great economies have been effected. Useless divisions have been abolished with the result of saving $440,000 this year in the total expenses of the Bureau despite increased business.

The Treasurer's office and that of the Division of Public Moneys in part cover the same functions and this is also true of the office of the Register and the Division of Loans and Currency. Plans for the elimination of the duplication in these offices will be presented to Congress.

COMPTROLLER OF THE CURRENCY.

The office of the Comptroller of the Currency is one most important in the preservation of proper banking methods in the national banking system of the United States, and the present Comptroller has impressed his subordinates with the necessity of so conducting their investigations as to establish the principle that every bank failure is unnecessary because proper inspection and notice of threatening conditions to the responsible directors and officers can prevent it.

PUBLIC BUILDINGS.

In our public buildings we still suffer from the method of appropriation, which has been so much criticised in connection with our rivers and harbors. Some method should be devised for controlling the supply of public buildings, so that they will harmonize with the actual needs of the Government. Then, when it comes to the actual construction, there has been in the past too little study of the building plans and sites with a view to the actual needs of the Government. Post-Office buildings which are in effect warehouses for the economical handling of transportation of thousands of tons of mail have been made monumental structures, and often located far from the convenient and economical spot. In the actual construction of the buildings, a closer scrutiny of the methods employed by the Government architects or by architects employed by the Government have resulted in decided economies. It is hoped that more time will give opportunity for a more thorough reorganization. The last public building bill carried authorization for the ultimate expenditure of $33,011,500 and I approved it because of the many good features it contained, just as I approved the river and harbor bill, but it was drawn upon a principle that ought to be abandoned. It seems to me that the wiser method of preparing a public building bill would be the preparation of a report by a commission of Government experts whose duty it should be to report to Congress the Government's needs in the way of the construction of public buildings in every part of the country, just as the Army Engineers make report with reference to the utility of proposed improvements in rivers and harbors, with the added function which I have recommended for the Army Engineers of including in their recommendation the relative importance of the various projects found to be worthy of approval and execution.

REVENUES.

As the Treasury Department is the one through which the income of the Government is collected and its expenditures are disbursed, this seems a proper place to consider the operation of the existing tariff bill, which became a law August 6, 1909. As an income-producing measure, the existing tariff bill has never been exceeded by any customs bill in the history of the country.

The corporation excise tax, proportioned to the net income of every business corporation in the country, has worked well. The tax has been easily collected. Its prompt payment indicates that the incidence of the tax has not been heavy. It offers, moreover, an opportunity for knowledge by the Government of the general condition and business of all corporations, and that means by far the most important part of the business of the country. In the original act provision was made for the publication of returns. This provision was subsequently amended by Congress, and the matter left to the regulation of the President. I have directed the issue of the needed regulations, and have made it possible for the public generally to know from an examination of the record, the returns of all corporations, the stock of which is listed on any public stock exchange or is offered for sale to the general public by advertisement or otherwise. The returns of those corporations whose stock is not so listed or offered for sale are directed to be open to the inspection and examination of creditors and stockholders of the corporation whose record is sought. The returns of all corporations are subject to the inspection of any government officer or to the examination of any court, in which the return made by the corporation is relevant and competent evidence.

THE PAYNE TARIFF ACT.

The schedules of the rates of duty in the Payne tariff act have been subjected to a great deal of criticism, some of it just, more of it unfounded, and to much misrepresentation. The act was adopted in pursuance of a declaration by the party which is responsible for it that a customs bill should be a tariff for the protection of home industries, the measure of the protection to be the difference between the cost of producing the imported article abroad and the cost of producing it at home, together with such addition to that difference as might give a reasonable profit to the home producer. The chief criticism of this tariff is a charge that in respect to a number of the schedules the declared measure was not followed, but a higher difference retained or inserted by way of undue discrimination in favor of certain industries and manufactures. Little, if any, of the criticism of the tariff has been directed against the protective principle above stated.

TARIFF BOARD.

The time in which the tariff was prepared undoubtedly was so short as to make it impossible for the Congress and its experts to acquire all the information necessary strictly to conform to the declared measure. In order to avoid criticism of this kind in the future and for the purpose of more nearly conforming to the party promise, Congress at its last session made provision at my request for the continuance of a board created under the authority of the maximum and minimum clause of the tariff bill, and authorized this board to expend the money appropriated under my direction for the ascertainment of the cost of production at home and abroad of the various articles included in the schedules of the tariff. The tariff board thus appointed and authorized has been diligent in preparing itself for the necessary investigations. The hope of those who have advocated the use of this board for tariff purposes is that the question of the rate of a duty imposed shall become more of a business question and less of a political question, to be ascertained by experts of long training and accurate knowledge. The halt in business and the shock to business, due to the announcement that a new tariff bill is to be prepared and put in operation, will be avoided by treating the schedules one by one as occasion shall arise for a change in the rates of each, and only after a report upon the schedule by the tariff board competent to make such report. It is not likely that the board will be able to make a report during the present session of Congress on any of the schedules, because a proper examination involves an enormous amount of detail and a great deal of care; but I hope to be able at the opening of the new Congress, or at least during the session of that Congress, to bring to its attention the facts in regard to those schedules in the present tariff that may prove to need amendment. The carrying out of this plan, of course, involves the full cooperation of Congress in limiting the consideration in tariff matters to one schedule at a time, because if a proposed amendment to a tariff bill is to involve a complete consideration of all the schedules and another revision, then we shall only repeat the evil from which the business of this country has in times past suffered most grievously by stagnation and uncertainty, pending a resettlement of a law affecting all business directly or indirectly. I can not too much emphasize the importance and benefit of the plan above proposed for the treatment of the tariff. It facilitates the removal of noteworthy defects in an important law without a disturbance of business prosperity, which is even more important to the happiness and the comfort of the people than the elimination of instances of injustice in the tariff.

The inquiries which the members of the Tariff Board made during the last summer into the methods pursued by other Governments with reference to the fixing of tariffs and the determination of their effect upon trade, show that each Government maintains an office or bureau, the officers and employees of which have made their life work the study of tariff matters, of foreign and home prices and cost of articles imported, and the effect of the tariff upon trade, so that whenever a change is thought to be necessary in the tariff law this office is the source of the most reliable information as to the propriety of the change and its effect. I am strongly convinced that we need in this Government just such an office, and that it can be secured by making the Tariff Board already appointed a permanent tariff commission, with such duties, powers, and emoluments as it may seem wise to Congress to give. It has been proposed to enlarge the board from three to five. The present number is convenient, but I do not know that an increase of two members would be objectionable.

Whether or not the protective policy is to be continued, and the degree of protection to be accorded to our home industries, are questions which the people must decide through their chosen representatives; but whatever policy is adopted, it is clear that the necessary legislation should be based on an impartial, thorough, and continuous study of the facts.

BANKING AND CURRENCY REFORM.

The method of impartial scientific study by experts as a preliminary to legislation, which I hope to see ultimately adopted as our fixed national policy with respect to the tariff, rivers and harbors, waterways, and public buildings, is also being pursued by the nonpartisan Monetary Commission of Congress. An exhaustive and most valuable study of the banking and currency systems of foreign countries has been completed.

A comparison of the business methods and institutions of our powerful and successful commercial rivals with our own is sure to be of immense value. I urge upon Congress the importance of a nonpartisan and disinterested study and consideration of our banking and currency system. It is idle to dream of commercial expansion, and of the development of our national trade on a scale that measures up to our matchless opportunities, unless we can lay a solid foundation in a sound and enduring banking and currency system. The problem is not partisan, is not sectional—it is national.

WAR DEPARTMENT.

The War Department has within its jurisdiction the management of the Army, and, in connection therewith, the coast defenses; the government of the dependencies of the Philippines and of Porto Rico; the recommendation of plans for the improvement of harbors and waterways, and their execution when adopted; and, by virtue of an executive order, the supervision of the construction of the Panama Canal.

The Army of the United States is a small body compared with the total number of people for the preservation of whose peace and good order it is a last resource. The Army now numbers about 80,000 men, of whom about 18,000 are engaged in the Coast Artillery and detailed to the management and use of the guns in the forts and batteries that protect our coasts. The rest of the Army, or about 60,000, is the mobile part of our national forces and is divided into 31 regiments of infantry, including the Porto Rican regiment, 15 regiments of cavalry, 6 regiments of field artillery, a corps of ordnance, of engineers, and of signal, a quartermaster's department, a commissary department, and a medical corps.

The general plan for an army of the United States at peace should be that of a skeleton organization with an excess of trained officers and thus capable of rapid enlargement by enlistments, to be supplemented in emergency by the national militia and a volunteer force. In some measure this plan has been adopted in the very large proportion of cavalry and field artillery as compared with infantry in the present army and on a peace basis. An infantry force can be trained in six months; a cavalry or a light artillery force not under one and one-half or two years; hence the importance of having ready a larger number of the more skilled soldiers.

The militia system, for which Congress by the Constitution is authorized to provide, was developed by the so-called Dick law, under which the discipline, the tactics, the drill, the rank, the uniform, and the various branches of the militia are assimilated as far as possible to those of the Regular Army. Under the militia law, as the Constitution provides, the Governors of the States appoint the militia officers, but, by appropriations from Congress, States have been induced to comply with the rules of assimilation between the Regular Army and the militia, so that now there is a force, the efficiency of which differs in different States, which could be incorporated under a single command with the Regular Army, and which for some time each year receives the benefit of drill and maneuvers with conditions approximating actual military service, under the supervision of Regular Army officers.

In the Army of the United States, in addition to the regular forces and the militia forces which may be summoned to the defense of the Nation by the President, there is also the volunteer force, which made up a very large part of the army in the Civil War, and which in any war of long continuance would become its most important constituent. There is an act which dates from the Civil War, known as the Volunteer Act, which makes provision for the enlistment of volunteers in the Army of the United States in time of war. This was found to be so defective in the Philippine War that a special act for the organization of volunteer regiments to take part in that war was adopted, and it was much better adapted to the necessities of the case. There is now pending in Congress a bill repealing the present Volunteer Act and making provision for the organization of volunteer forces in time of war, which is admirably adapted to meet the exigencies which would be then presented. The passage of the bill would not entail a dollar's expense upon the Government at this time, or in the future, until war comes, but when war does come the methods therein directed are in accordance with the best military judgment as to what they ought to be, and the act would prevent the necessity for the discussion of new legislation and the delays incident to its consideration and adoption. I earnestly urge the passage of this Volunteer Bill.

I further recommend that Congress establish a commission to determine as early as practicable a comprehensive policy for the organization, mobilization and administration of the Regular Army, the organized militia, and the volunteer forces in the event of war.

NEED FOR ADDITIONAL OFFICERS.

One of the great difficulties in the prompt organization and mobilization of militia and volunteer forces is the absence of competent officers of the rank of captain to teach the new army, by the unit of the company, the business of being soldiers and of taking care of themselves so as to render effective service. This need of army officers can only be supplied by provisions of law authorizing the appointment of a greater number of army officers than are needed to supply the commands of regular army troops now enlisted in the service. There are enough regular army officers to command the troops now enlisted, but Congress has authorized, and the Department has followed the example of Congress and exercised the authority conferred by detailing these army officers to duty other than that of the command of troops. For instance, there are a large number of army officers assigned to duty with military colleges or in colleges in which military training is given. Then a large number of officers are assigned to General Staff duty, and there are various other places to which army officers can be and are legally assigned, which take them away from their regiments and companies. In order that the militia of each State should be properly drilled and made more like the regular army, regular army officers should be detailed to assist the Adjutant-General of each State in the supervision of the state militia; but this is impossible unless provision is made by Congress for a very considerable increase in the number of company and field officers of the Army. A bill is pending in Congress for this purpose, and I earnestly hope that, in the interest of the proper development of a republican army, an army, small in the time of peace but possible of prompt and adequate enlargement in time of war, shall become possible under the laws of the United States.

PROPOSED INCREASE IN ARMY ENGINEERS.

A bill, the strong argument for which can be based on the ground quite similar to that of the increased officers bill, is a bill for the increase of sixty in the Army Engineers. The Army Engineers are largely employed in the expenditure of the moneys appropriated for the improvement of rivers and harbors and in the construction of the Panama Canal. This, in addition to their military duties, which include the building of fortifications both on our coasts and in our dependencies, requires many more engineers than the Army has, and public works, civil and military, are, therefore, much delayed. I earnestly recommend the passage of this bill, which passed the House at the last session and is now pending in the Senate.

FORTIFICATIONS.

I have directed that the estimates for appropriation for the improvement of coast defenses in the United States should be reduced to a minimum, while those for the completion of the needed fortifications at Corregidor in the Philippine Islands and at Pearl Harbor in the Hawaiian Islands should be expedited as much as possible. The proposition to make Olongapo and Subig Bay the naval base for the Pacific was given up, and it is to be treated merely as a supply station, while the fortifications in the Philippines are to be largely confined to Corregidor Island and the adjacent islands which command entrance to Manila Bay and which are being rendered impregnable from land and sea attack. The Pacific Naval base has been transferred to Pearl Harbor in the Hawaiian Islands. This necessitates the heavy fortification of the harbor and the establishment of an important military station near Honolulu. I urge that all the estimates made by the War Department for these purposes be approved by Congressional appropriation.

PHILIPPINE ISLANDS.

During the last summer, at my request, the Secretary of War visited the Philippine Islands and has described his trip in his report. He found the Islands in a state of tranquillity and growing prosperity, due largely to the change in the tariff laws, which has opened the markets of America to the products of the Philippines, and has opened the Philippine markets to American manufactures. The rapid increase in the trade between the two countries is shown in the following table:

Philippine exports, fiscal years 1908–1910.
[Exclusive of gold and silver.]

Fiscal year.	To—		Total.
	United States.	Other countries.	
1908	$10,323,233	$22,493,334	$32,816,567
1909	10,215,331	20,778,232	30,993,563
1910	18,741,771	21,122,398	39,864,169

NOTE.—Latest monthly returns show exports for the year ending August, 1910, to the United States $20,035,902, or 49 per cent of the $41,075,738 total, against $11,031,275 to the United States, or 34 per cent of the $32,183,871 total for the year ending August, 1909.

Philippine imports, fiscal years 1908–1910.
[Exclusive of gold and silver and government supplies.]

Fiscal year.	From—		Total.
	United States.	Other countries.	
1908	$5,079,487	$25,838,870	$30,918,357
1909	4,691,770	23,100,627	27,792,397
1910	10,775,301	26,292,329	37,067,630

NOTE.—Latest monthly returns show imports for the year ending August, 1910, from the United States $11,615,982, or 30 per cent of the $39,025,667 total, against $5,193,419 from the United States, or 18 per cent of the $28,948,011 total for the year ending August, 1909.

PORTO RICO.

The year has been one of prosperity and progress in Porto Rico. Certain political changes are embodied in the bill "To Provide a Civil Government for Porto Rico and for other Purposes," which passed the House of Representatives on June 15, 1910, at the last session of Congress, and is now awaiting the action of the Senate.

The importance of those features of this bill relating to public health and sanitation can not be overestimated.

The removal from politics of the judiciary by providing for the appointment of the municipal judges is excellent, and I recommend that a step further be taken by providing therein for the appointment of secretaries and marshals of these courts.

The provision in the bill for a partially elective senate, the number of elective members being progressively increased, is of doubtful wisdom, and the composition of the senate as provided in the bill when introduced in the House, seems better to meet conditions existing in Porto Rico. This is an important measure, and I recommend its early consideration and passage.

RIVERS AND HARBORS.

I have already expressed my opinion to Congress in respect to the character of the river and harbor bills which should be enacted into law; and I have exercised as much power as I could under the law in directing the Chief of Engineers to make his report to Congress conform to the needs of the committee framing such a bill in determining which of the proposed improvements is the more important and ought to be completed first, and promptly.

PANAMA CANAL.

At the instance of Colonel Goethals, the Army Engineer officer in charge of the work on the Panama Canal, I have just made a visit to the Isthmus to inspect the work done and to consult with him on the ground as to certain problems which are likely to arise in the near future. The progress of the work is most satisfactory. If no unexpected obstacle presents itself, the canal will be completed well within the time fixed by Colonel Goethals, to wit, January 1, 1915, and within the estimate of cost, $375,000,000.

Press reports have reached the United States from time to time giving accounts of slides of earth of very large yardage in the Culebra Cut and elsewhere along the line, from which it might be inferred that the work has been much retarded and that the time of completion has been necessarily postponed.

The report of Doctor Hayes, of the Geological Survey, whom I sent within the last month to the Isthmus to make an investigation, shows that this section of the Canal Zone is composed of sedimentary rocks of rather weak structure and subject to almost immediate disintegration when exposed to the air. Subsequent to the deposition of these sediments, igneous rocks, harder and more durable, have been thrust into them, and being cold at the time of their intrusion united but indifferently with the sedimentary rock at the contacts. The result of these conditions is that as the cut is deepened, causing unbalanced pressures, slides from the sides of the cut have occurred. These are in part due to the flowing of surface soil and decomposed sedimentary rocks upon inclined surfaces of the underlying undecomposed rock and in part by the crushing of structurally weak beds under excessive pressure. These slides occur on one side or the other of the cut through a distance of 4 or 5 miles, and now that their character is understood, allowance has been made in the calculations of yardage for the amount of slides which will have to be removed and the greater slope that will have to be given to the bank in many places in order to prevent their recurrence. Such allowance does not exceed ten millions of yards. Considering that the number of yards removed from this cut on an average of each month through the year is 1,300,000, and that the total remaining to be excavated, including slides, is about 30,000,000 yards, it is seen that this addition to the excavation does not offer any great reason for delay.

While this feature of the material to be excavated in the cut will not seriously delay or obstruct the construction of a canal of the lock type, the increase of excavation due to such slides in the cut made 85 feet deeper for a sea-level canal would certainly have been so great as to delay its completion to a time beyond the patience of the American people.

FORTIFY THE CANAL.

Among questions arising for present solution is whether the Canal shall be fortified. I have already stated to the Congress that I strongly favor fortification and I now reiterate this opinion and ask your consideration of the subject in the light of the report already before you made by a competent board.

If, in our discretion, we believe modern fortifications to be necessary to the adequate protection and policing of the Canal, then it is our duty to construct them. We have built the Canal. It is our property. By convention we have indicated our desire for, and indeed undertaken, its universal and equal use. It is also well known that one of the chief objects in the construction of the Canal has been to increase the military effectiveness of our Navy.

Failure to fortify the Canal would make the attainment of both these aims depend upon the mere moral obligations of the whole international public—obligations which we would be powerless to enforce and which could never in any other way be absolutely safeguarded against a desperate and irresponsible enemy.

CANAL TOLLS.

Another question which arises for consideration and possible legislation is the question of tolls in the Canal. This question is necessarily affected by the probable tonnage which will go through the Canal. It is all a matter of estimate, but one of the government commission in 1900 investigated the question and made a report. He concluded that the total tonnage of the vessels employed in commerce that could use the Isthmian Canal in 1914 would amount to 6,843,805 tons net register, and that this traffic would increase 25.1 per cent per decade; that it was not probable that all the commerce included in the totals would at once abandon the routes at present followed and make use of the new Canal, and that it might take some time, perhaps two years, to readjust trade with reference to the new conditions which the Canal would establish. He did not include, moreover, the tonnage of war vessels, although it is to be inferred that such vessels would make considerable use of the Canal. In the matter of tolls he reached the conclusion that a dollar a net ton would not drive business away from the Canal, but that a higher rate would do so.

In determining what the tolls should be we certainly ought not to insist that they should at once amount to enough to pay the interest on the investment of $400,000,000 which the United States has made in the construction of the Canal. We ought not to do this, first, because the benefit to be derived by the United States from this expenditure is not to be measured solely by a return upon the investment. If it were, then the construction might well have been left to private enterprise. It was because an adequate return upon the money invested could not be expected immediately, or in the near future, and because there were peculiar political advantages to be derived from the construction of the Canal that it fell to the Government to advance the money and perform the work.

In addition to the benefit to our naval strength, the Canal greatly increases the trade facilities of the United States. It will undoubtedly cheapen the rates of transportation in all freight between the Eastern and Western seaboard. Then, if we are to have a world canal, and if we are anxious that the world's trade shall use it, we must recognize that we have an active competitor in the Suez Canal and that there are other means of carriage between the two oceans—by the Tehuantepec Railroad and by other railroads and freight routes in Central America.

In all these cases the question whether the Panama Canal is to be used and its tonnage increased will be determined mainly by the charge for its use. My own impression is that the tolls ought not to exceed $1 per net ton. On January 1, 1911, the tolls in the Suez Canal are to be 7 francs and 25 centimes for 1 net ton by Suez Canal measurement, which is a modification of Danube measurement. A dollar a ton will secure under the figures above a gross income from the Panama Canal of nearly $7,000,000. The cost of maintenance and operation is estimated to exceed $3,000,000. Ultimately, of course, with the normal increase in trade, we hope the income will approximate the interest charges upon the investment. The inquiries already made of the Chief Engineer of the Canal show that the present consideration of this question is necessary in order that the commerce of the world may have time to adjust itself to the new conditions resulting from the opening of this new highway. On the whole I should recommend that within certain limits the President be authorized to fix the tolls of the Canal and adjust them to what seems to be commercial necessity.

MAINTENANCE OF CANAL.

The next question that arises is as to the maintenance, management, and general control of the canal after its completion. It should be premised that it is an essential part of our navy establishment to have the coal, oil and other ship supplies, a dry dock, and repair shops, conveniently located with reference to naval vessels passing through the canal. Now, if the Government, for naval purposes, is to undertake to furnish these conveniences to the navy, and they are conveniences equally required by commercial vessels, there would seem to be strong reasons why the Government should take over and include in its management the furnishing, not only to the navy but to the public, dry-dock and repair-shop facilities, and the sale of coal, oil, and other ship supplies.

The maintenance of a lock canal of this enormous size in a sparsely populated country and in the tropics, where the danger from disease is always present, requires a large and complete and well-trained organization with full police powers, exercising the utmost care. The visitor to the canal who is impressed with the wonderful freedom from tropical diseases on the Isthmus must not be misled as to the constant vigilance that is needed to preserve this condition. The vast machinery of the locks, the necessary amount of dredging, the preservation of the banks of the canal from slides, the operation and the maintenance of the equipment of the railway—will all require a force, not, of course, to be likened in any way to the present organization for construction, but a skilled body of men who can keep in a state of usefulness this great instrument of commerce. Such an organization makes it easy to include within its functions the furnishing of dry-dock, fuel, repairs and supply facilities to the trade of the world. These will be more essential at the Isthmus of Panama than they are at Port Said or Suez, because there are no depots for coal, supplies, and other commercial necessities within thousands of miles of the Isthmus.

Another important reason why these ancillary duties may well be undertaken by the Government is the opportunity for discrimination between patrons of the canal that is offered where private concessions are granted for the furnishing of these facilities. Nothing would create greater prejudice against the canal than the suspicion that certain lines of traffic were favored in the furnishing of supplies or that the supplies were controlled by any large interest that might have a motive for increasing the cost of the use of the canal. It may be added that the termini are not ample enough to permit the fullest competition in respect to the furnishing of these facilities and necessities to the world's trade even if it were wise to invite such competition and the granting of the concession would necessarily, under these circumstances, take on the appearance of privilege or monopoly.

PROHIBITION OF RAILROAD OWNERSHIP OF CANAL STEAMERS.

I can not close this reference to the canal without suggesting as a wise amendment to the interstate commerce law a provision prohibiting interstate commerce railroads from owning or controlling ships engaged in the trade through the Panama Canal. I believe such a provision may be needed to save to the people of the United States the benefits of the competition in trade between the eastern and western seaboards which this canal was constructed to secure.

DEPARTMENT OF JUSTICE.

The duties of the Department of Justice have been greatly increased by legislation of Congress enacted in the interest of the general welfare of the people and extending its activities into avenues plainly within its constitutional jurisdiction, but which it has not been thought wise or necessary for the General Government heretofore to occupy.

I am glad to say that under the appropriations made for the Department, the Attorney-General has so improved its organization that a vast amount of litigation of a civil and criminal character has been disposed of during the current year. This will explain the necessity for slightly increasing the estimates for the expenses of the Department. His report shows the recoveries made on behalf of the Government, of duties fraudulently withheld, public lands improperly patented, fines and penalties for trespass, prosecutions and convictions under the antitrust law, and prosecutions under the interstate-commerce law. I invite especial attention to the prosecutions under the Federal law of the so-called "bucket shops," and of those schemes to defraud in which the use of the mail is an essential part of the fraudulent conspiracy, prosecutions which have saved ignorant and weak members of the public and are saving them hundreds of millions of dollars. The violations of the antitrust law present perhaps the most important litigation before the Department, and the number of cases filed shows the activity of the Government in enforcing that statute.

NATIONAL INCORPORATION.

In a special message last year I brought to the attention of Congress the propriety and wisdom of enacting a general law providing for the incorporation of industrial and other companies engaged in interstate commerce, and I renew my recommendation in that behalf.

PAYMENT OF JUST CLAIMS.

I invite the attention of Congress to the great number of claims which, at the instance of Congress, have been considered by the Court of Claims and decided to be valid claims against the Government. The delay that occurs in the payment of the money due under the claims injures the reputation of the Government as an honest debtor, and I earnestly recommend that those claims which come to Congress with the judgment and approval of the Court of Claims should be promptly paid.

REFORM IN JUDICIAL PROCEDURE.

One great crying need in the United States is cheapening the cost of litigation by simplifying judicial procedure and expediting final judgment. Under present conditions the poor man is at a woeful disadvantage in a legal contest with a corporation or a rich opponent. The necessity for the reform exists both in the United States courts and in all State courts. In order to bring it about, however, it naturally falls to the General Government by its example to furnish a model to all States. A legislative commission appointed by joint resolution of Congress to revise the procedure in the United States courts has as yet made no report.

Under the law the Supreme Court of the United States has the power and is given the duty to frame the equity rules of procedure which are to obtain in the Federal courts of first instance. In view of the heavy burden of pressing litigation which that Court has had to carry, with one or two of its members incapacitated through ill health, it has not been able to take up problems of improving the equity procedure, which has practically remained the same since the organization of the Court in 1789. It is reasonable to expect that with all the vacancies upon the Court filled, it will take up the question of cheapening and simplifying the procedure in equity in the courts of the United States. The equity business is much the more important in the Federal courts, and I may add much the more expensive. I am strongly convinced that the best method of improving judicial procedure at law is to empower the Supreme Court to do it through the medium of the rules of the court, as in equity. This is the way in which it has been done in England, and thoroughly done. The simplicity and expedition of procedure in the English courts today make a model for the reform of other systems.

Several of the Lord Chancellors of England and of the Chief Justices have left their lasting impress upon the history of their country by their constructive ability in proposing and securing the passage of remedial legislation effecting law reforms. I can not conceive any higher duty that the Supreme Court could perform than in leading the way to a simplification of procedure in the United States courts.

RELIEF OF SUPREME COURT FROM UNNECESSARY APPEALS.

No man ought to have, as a matter of right, a review of his case by the Supreme Court. He should be satisfied by one hearing before a court of first instance and one review by a court of appeals. The proper and chief usefulness of a Supreme Court, and especially of the Supreme Court of the United States, is, in the cases which come before it, so to expound the law, and especially the fundamental law—the Constitution—as to furnish precedents for the inferior courts in future litigation and for the executive officers in the construction of statutes and the performance of their legal duties. Therefore, any provisions for review of cases by the Supreme Court that cast upon that Court the duty of passing on questions of evidence and the construction of particular forms of instruments, like indictments, or wills, or contracts, decisions not of general application or importance, merely clog and burden the Court and render more difficult its higher function, which makes it so important a part of the framework of our Government. The Supreme Court is now carrying an unnecessary burden of appeals of this kind, and I earnestly urge that it be removed.

The statutes respecting the review by the Supreme Court of the United States of decisions of the Court of Appeals of the District of Columbia ought to be so amended as to place that court in the same position with respect to the review of its decisions as that of the various United States Circuit Courts of Appeals. The act of March 2, 1907, authorizing appeals by the Government from certain judgments in criminal cases where the defendant has not been put in jeopardy, within the meaning of the Constitution, should be amended so that such appeals should be taken to the Circuit Courts of Appeals instead of to the Supreme Court in all cases except those involving the construction of the Constitution or the constitutionality of a statute, with the same power in the Supreme Court to review on *certiorari* as is now exercised by that court over determinations of the several Circuit Courts of Appeals. Appeals in copyright cases should reach final judgment in the courts of appeals instead of the Supreme Court as now. The decision of the courts of appeals should be made final also in all cases wherein jurisdiction rests on both diverse citizenship and the existence of a federal question, and not as now be reviewable in the Supreme Court when the case involves more than one thousand dollars. Appeals from the United States Court in Porto Rico should run to the Circuit Court of Appeals of the third circuit instead of to the Supreme Court. These suggested changes would, I am advised, relieve the Supreme Court of the consideration of about 100 cases annually.

The American Bar Association has had before it the question of reducing the burden of litigation involved in reversals on review and new trials or re-hearings and in frivolous appeals in habeas corpus and criminal cases. Their recommendations have been embodied in bills now pending in Congress. The recommendations are not radical, but they will accomplish much if adopted into law, and I earnestly recommend the passage of the bills embodying them.

INJUNCTION BILL.

I wish to renew my urgent recommendation made in my last Annual Message in favor of the passage of a law which shall regulate the issuing of injunctions in equity without notice in accordance with the best practice now in vogue in the courts of the United States. I regard this of especial importance, first because it has been promised, and second because it will deprive those who now complain of certain alleged abuses in the improper issuing of injunctions without notice of any real ground for further amendment and will take away all semblance of support for the extremely radical legislation they propose, which will be most pernicious if adopted, will sap the foundations of judicial power, and legalize that cruel social instrument, the secondary boycott.

JUDICIAL SALARIES.

I further recommend to Congress the passage of the bill now pending for the increase in the salaries of the Federal Judges, by which the Chief Justice of the United States shall receive $17,500 and the Associate Justices of the Supreme Court $17,000; the Circuit Judges constituting the Circuit Court of Appeals shall receive $10,000, and the District Judges $9,000. These judges exercise a wise jurisdiction and their duties require of them a profound knowledge of the law, great ability in the dispatch of business, and care and delicacy in the exercise of their jurisdiction so as to avoid conflict whenever possible between the Federal and the State courts. The positions they occupy ought to be filled by men who have shown the greatest ability in their professional work at the bar, and it is the poorest economy possible for the Government to pay salaries so low for judicial service as not to be able to command the best talent of the legal profession in every part of the country. The cost of living is such, especially in the large cities, that even the salaries fixed in the proposed bill will enable the incumbents to accumulate little, if anything, to support their families after their death. Nothing is so important to the preservation of our country and its beloved institutions as the maintenance of the independence of the judiciary, and next to the life tenure an adequate salary is the most material contribution to the maintenance of independence on the part of our Judges.

POST-OFFICE DEPARTMENT.

POSTAL SAVINGS BANKS.

At its last session Congress made provision for the establishment of savings banks by the Post-Office Department of this Government, by which, under the general control of trustees, consisting of the Postmaster-General, the Secretary of the Treasury and the Attorney-General, the system could be begun in a few cities and towns, and enlarged to cover within its operations as many cities and towns and as large a part of the country as seemed wise. The initiation and establishment of such a system has required a great deal of study on the part of the experts in the Post-Office and Treasury Departments, but a system has now been devised which is believed to be more economical and simpler in its operation than any similar system abroad. Arrangements have been perfected so that savings banks will be opened in some cities and towns on the 1st of January, and there will be a gradual extension of the benefits of the plan to the rest of the country.

WIPING OUT OF POSTAL DEFICIT.

As I have said, the Post-Office Department is a great business department, and I am glad to note the fact that under its present management principles of business economy and efficiency are being applied. For many years there has been a deficit in the operations of the Post-Office Department which has been met by appropriation from the Treasury. The appropriation estimated for last year from the Treasury over and above the receipts of the Department was $17,500,000. I am glad to record the fact that of that $17,500,000 estimated for, $11,500,000 were saved and returned to the Treasury. The personal efforts of the Postmaster-General secured the effective cooperation of the thousands of postmasters and other postal officers throughout the country in carrying out his plans of reorganization and retrenchment. The result is that the Postmaster-General has been able to make his estimate of expenses for the present year so low as to keep within the amount the postal service is expected to earn. It is gratifying to report that the reduction in the deficit has been accomplished without any curtailment of postal facilities. On the contrary the service has been greatly extended during the year in all its branches. A principle which the Postmaster-General has recommended and sought to have enforced in respect to all appointments has been that those appointees who have rendered good service should be reappointed. This has greatly strengthened the interest of postmasters throughout the country in maintaining efficiency and economy in their offices, because they believed generally that this would secure for them a further tenure.

EXTENSION OF THE CLASSIFIED SERVICE.

Upon the recommendation of the Postmaster-General, I have included in the classified service all assistant postmasters, and I believe that this giving a secure tenure to those who are the most important subordinates of Postmasters will add much to the efficiency of their offices and an economical administration. A large number of the fourth-class postmasters are now in the classified service. I think it would be wise to put in the classified service the first, second, and third class postmasters. It is more logical to do this than to classify the fourth-class postmasters, for the reason that the fourth-class post-offices are invariably small, and the postmasters are necessarily men who must combine some other business with the postmastership, whereas the first, second, and third class postmasters are paid a sufficient amount to justify the requirement that they shall have no other business and that they shall devote their attention to their post-office duties. To classify first, second, and third class postmasters would require the passage of an act changing the method of their appointment so as to take away the necessity for the advice and consent of the Senate. I am aware that this is inviting from the Senate a concession in respect to its quasi executive power that is considerable, but I believe it to be in the interest of good administration and efficiency of service. To make this change would take the postmasters out of politics; would relieve Congressmen who now are burdened with the necessity of making recommendations for these places of a responsibility that must be irksome and can create nothing but trouble; and it would result in securing from postmasters greater attention to business, greater fidelity, and consequently greater economy and efficiency in the post-offices which they conduct.

THE FRANKING PRIVILEGE.

The unrestricted manner in which the franking privilege is now being used by the several branches of the Federal service and by Congress has laid it open to serious abuses, a fact clearly established through investigations recently instituted by the Department. While it has been impossible without a better control of franking to determine the exact expense to the Government of this practice, there can be no doubt that it annually reaches into the millions. It is believed that many abuses of the franking system could be prevented, and consequently a marked economy effected, by supplying through the agencies of the postal service special official envelopes and stamps for the free mail of the Government, all such envelopes and stamps to be issued on requisition to the various branches of the Federal service requiring them, and such records to be kept of all official stamp supplies as will enable the Post-Office Department to maintain a proper postage account covering the entire volume of free Government mail. As the first step in the direction of this reform, special stamps and stamped envelopes have been provided for use instead of franks in the free transmission of the official mail resulting from the business of the new postal savings system. By properly recording the issuance of such stamps and envelopes accurate records can be kept of the cost to the Government of handling the postal savings mail, which is certain to become an important item of expense and one that should be separately determined. In keeping with this plan it is hoped that Congress will authorize the substitution of special official stamps and stamped envelopes for the various forms of franks now used to carry free of postage the vast volume of Departmental and Congressional mail matter. During the past year methods of accounting similar to those employed in the most progressive of our business establishments have been introduced in the postal service and nothing has so impeded the Department's plan in this regard as the impossibility of determining with any exactness how far the various expenses of the postal service are increased by the present unrestricted use of the franking privilege. It is believed that the adoption of a more exact method of dealing with this problem as proposed will prove to be of tremendous advantage in the work of placing the postal service on a strictly businesslike basis.

SECOND-CLASS MAIL MATTER.

In my last Annual Message I invited the attention of Congress to the inadequacy of the postal rate imposed upon second-class mail matter in so far as that includes magazines, and showed by figures prepared by experts of the Post-Office Department that the Government was rendering a service to the magazines, costing many millions in excess of the compensation paid. An answer was attempted to this by the representatives of the magazines, and a reply was filed to this answer by the Post-Office Department. The utter inadequacy of the answer, considered in the light of the reply of the Post-Office Department, I think must appeal to any fair-minded person. Whether the answer was all that could be said in behalf of the magazines is another question. I agree that the question is one of fact; but I insist that if the fact is as the experts of the Post-Office Department show, that we are furnishing to the owners of magazines a service worth millions more than they pay for it, then justice requires that the rate should be increased. The increase in the receipts of the Department resulting from this change may be devoted to increasing the usefulness of the Department in establishing a parcels post and in reducing the cost of first-class postage to one cent. It has been said by the Postmaster-General that a fair adjustment might be made under which the advertising part of the magazine should be charged for at a different and higher rate from that of the reading matter. This would relieve many useful magazines that are not circulated at a profit, and would not shut them out from the use of the mails by a prohibitory rate.

PARCELS POST.

With respect to the parcels post, I respectfully recommend its adoption on all rural-delivery routes, and that 11 pounds—the international limit—be made the limit of carriage in such post, and this, with a view to its general extension when the income of the Post-Office will permit it and the Postal Savings Banks shall have been fully established.

The same argument is made against the parcels post that was made against the postal savings bank—that it is introducing the Government into a business which ought to be conducted by private persons, and is paternalism. The Post-Office Department has a great plant and a great organization, reaching into the most remote hamlet of the United States, and with this machinery it is able to do a great many things economically that if a new organization were necessary it would be impossible to do without extravagant expenditure. That is the reason why the postal savings bank can be carried on at a small additional cost, and why it is possible to incorporate at a very inconsiderable expense a parcels post in the rural-delivery system. A general parcels post will involve a much greater outlay.

NAVY DEPARTMENT.

REORGANIZATION.

In the last annual report of the Secretary of the Navy and in my Annual Message, attention was called to the new detail of officers in the Navy Department by which officers of flag rank were assigned to duty as Aides to the Secretary in respect to naval operations, personnel, inspection, and material. This change was a substantial compliance with the recommendation of the Commission on Naval Reorganization, headed by Mr. Justice Moody, and submitted to President Roosevelt on February 26, 1909. Through the advice of this committee of line officers, the Secretary is able to bring about a proper coordination of all the branches of the naval department with greater military efficiency. The Secretary of the Navy recommends that this new organization be recognized by legislation and thus made permanent. I concur in the recommendation.

LEGISLATIVE RECOMMENDATIONS.

The Secretary, in view of the conclusions of a recent Court of Inquiry on certain phases of Marine Corps administration, recommends that the Major-General Commandant of the Marine Corps be appointed for a four years' term, and that officers of the Adjutant and Inspector's department be detailed from the line. He also asks for legislation to improve the conditions now existing in the personnel of officers of the Navy, particularly with regard to the age and experience of flag officers and captains, and points out that it is essential to the highest efficiency of the Navy that the age of our officers be reduced and that flag officers, particularly, should gain proper experience as flag officers, in order to enable them to properly command fleets. I concur in the Secretary's recommendations.

COVERING OF NAVAL SUPPLY FUND INTO TREASURY.

I commend to your attention the report of the Secretary on the change in the system of cost accounting in navy-yards, and also to the history of the naval supply fund and the present conditions existing in regard to that matter. Under previous practice and what now seems to have been an erroneous construction of the law, the supply fund of the navy was increased from $2,700,000 to something over $14,000,000, and a system of accounting was introduced which prevented the striking of a proper balance and a knowledge of the exact cost of maintaining the naval establishment. The system has now been abandoned and a Naval Supply Account established by law July 1, 1910. The Naval Supply fund of $2,700,000 is now on deposit in the Treasury to the credit of the Department. The Secretary recommends that the Naval Supply Account be made permanent by law and that the $2,700,000 of the naval supply fund be covered into the Treasury as unnecessary, and I ask for legislative authority to do this. This sum when covered into the Treasury will be really a reduction in the recorded Naval cost for this year.

ESTIMATES AND BUILDING PROGRAM.

The estimates of the Navy Department are $5,000,000 less than the appropriations for the same purpose last year, and included in this is the building program of the same amount as that submitted for your consideration last year. It is merely carrying out the plan of building two battleships a year, with a few needed auxiliary vessels. I earnestly hope that this program will be adopted.

ABOLITION OF NAVY-YARDS.

The Secretary of the Navy has given personal examination to every navy-yard and has studied the uses of the navy-yards with reference to the necessities of our fleet. With a fleet considerably less than half the size of that of the British navy, we have shipyards more than double the number, and there are several of these shipyards, expensively equipped with modern machinery, which after investigation the Secretary of the Navy believes to be entirely useless for naval purposes. He asks authority to abandon certain of them and to move their machinery to other places where it can be made of use.

In making these recommendations the Secretary is following directly along progressive lines which have been adopted in our great commercial and manufacturing consolidations in this country; that is, of dismantling unnecessary and inadequate plants and discontinuing their existence where it has been demonstrated that it is unprofitable to continue their maintenance at an expense not commensurate to their product.

GUANTANAMO PROPER NAVAL BASE.

The Secretary points out that the most important naval base in the West Indies is Guantanamo, in the southeastern part of Cuba. Its geographical situation is admirably adapted to protect the commercial paths to the Panama Canal, and he shows that by the expenditure of less than half a million dollars, with the machinery which he shall take from other navy-yards, he can create a naval station at Guantanamo of sufficient size and equipment to serve the purpose of an emergency naval base. I earnestly join in the recommendation that he be given the authority which he asks. I am quite aware that such action is likely to arouse local opposition; but I conceive it to be axiomatic that in legislating in the interest of the Navy, and for the general protection of the country by the Navy, mere local pride or pecuniary interest in the establishment of a navy-yard or station ought to play no part. The recommendation of the Secretary is based upon the judgment of impartial naval officers, entirely uninfluenced by any geographical or sectional considerations.

JOHN PAUL JONES.

I unite with the Secretary in the recommendation that an appropriation be made to construct a suitable crypt at Annapolis for the custody of the remains of John Paul Jones.

PEARY.

The complete success of our country in Arctic exploration should not remain unnoticed. For centuries there has been friendly rivalry in this field of effort between the foremost nations and between the bravest and most accomplished men. Expeditions to the unknown North have been encouraged by enlightened governments and deserved honors have been granted to the daring men who have conducted them. The unparalleled accomplishment of an American in reaching the North Pole, April 6, 1909, approved by critical examination of the most expert scientists, has added to the distinction of our navy, to which he belongs, and reflects credit upon his country. His unique success has received generous acknowledgment from scientific bodies and institutions of learning in Europe and America. I recommend fitting recognition by Congress of the great achievement of Robert Edwin Peary.

DEPARTMENT OF THE INTERIOR.

APPEALS TO COURT IN LAND CASES.

The Secretary of the Interior recommends a change of the law in respect to the procedure in adjudicating claims for lands, by which appeals can be taken from the decisions of the Department to the Court of Appeals of the District of Columbia for a judicial consideration of the rights of the claimant. This change finds complete analogy in the present provision for appeals from the decisions of the Commissioner of Patents. The judgments of the court in such cases would be of decisive value to land claimants generally and to the Department of the Interior in the administration of the law, would enable claimants to bring into Court the final consideration of issues as to the title to Government land and would, I think, obviate a good deal of the subsequent litigation that now arises in our Western courts. The bill is pending, I believe, in the House, having been favorably reported from the Committee on Public Lands, and I recommend its enactment.

ARREARS WIPED OUT.

One of the difficulties in the Interior Department and in the Land Office has been the delays attendant upon the consideration by the Land Office and the Secretary of the Interior of claims for patents of public lands to individuals. I am glad to say that under the recent appropriations of the Congress and the earnest efforts of the Secretary and his subordinates, these arrears have been disposed of, and the work of the Department has been brought more nearly up to date in respect to the pending business than ever before in its history. Economies have been effected where possible without legislative assistance, and these are shown in the reduced estimates for the expenses of the Department during the current fiscal year and during the year to come.

CONSERVATION.

The subject of the conservation of the public domain has commanded the attention of the people within the last two or three years.

AGRICULTURAL LANDS.

There is no need for radical reform in the methods of disposing of what are really agricultural lands. The present laws have worked well. The enlarged homestead law has encouraged the successful farming of lands in the semiarid regions.

RECLAMATION.

The total sum already accumulated in the fund provided by the act for the reclamation of arid lands is about $69,449,058.76, and of this, all but $6,241,058.76 has been allotted to the various projects, of which there are thirty. Congress at its last session provided for the issuing of certificates of indebtedness not exceeding twenty millions of dollars, to be redeemed from the reclamation fund when the proceeds of lands sold and from the water-rents should be sufficient. Meantime, in accordance with the provisions of the law, I appointed a board of army engineers to examine the projects and to ascertain which are feasible and worthy of completion. That board has made a report upon the subject, which I shall transmit in a separate message within a few days.

CONSERVATION ADDRESS.

In September last a conservation Congress was held at St. Paul, at which I delivered an address on the subject of conservation so far as it was within the jurisdiction and possible action of the Federal Government. In that address I assembled from the official records the statistics and facts as to what had been done in this behalf in the administration of my predecessor and in my own, and indicated the legislative measures which I believed to be wise in order to secure the best use, in the public interest, of what remains of our National domain. There was in this address a very full discussion of the reasons which led me to the conclusions stated. For the purpose of saving in an official record a comprehensive résumé of the statistics and facts gathered with some difficulty in that address, and to avoid their repetition in the body of this message, I venture to make the address an accompanying appendix. The statistics are corrected to November 15th last.

SPECIFIC RECOMMENDATIONS.

For the reasons stated in the conservation address, I recommend:

First, that the limitation now imposed upon the Executive which forbids his reserving more forest lands in Oregon, Washington, Idaho, Montana, Colorado, and Wyoming, be repealed.

Second, that the coal deposits of the Government be leased after advertisement inviting competitive bids, for terms not exceeding fifty years, with a minimum rental and royalties upon the coal mined, to be readjusted every ten or twelve years, and with conditions as to maintenance which will secure proper mining, and as to assignment which will prevent combinations to monopolize control of the coal in any one district or market. I do not think that coal measures under 2,500 acres of surface would be too large an amount to lease to any one lessee.

The Secretary of the Interior thinks there are difficulties in the way of leasing public coal lands, which objections he has set forth in his report, the force of which I freely concede. I entirely approved his stating at length in his report the objections in order that the whole subject may be presented to Congress, but after a full consideration I favor a leasing system and recommend it.

Third, that the law should provide the same separation in respect to government phosphate lands of surface and mineral rights that now obtains in coal lands and that power to lease such lands upon terms and limitations similar to those above recommended for coal leases, with an added condition enabling the Government to regulate, and if need be to prohibit, the export to foreign countries of the product.

Fourth, that the law should allow a prospector for oil or gas to have the right to prospect for two years over a certain tract of government land, the right to be evidenced by a license for which he shall pay a small sum; and that upon discovery, a lease may be granted upon terms securing a minimum rental and proper royalties to the Government, and also the conduct of the oil or gas well in accord with the best method for husbanding the supply of oil in the district. The period of the leases should not be as long as those of coal, but they should contain similar provisions as to assignment to prevent monopolistic combinations.

Fifth, that water-power sites be directly leased by the Federal Government, after advertisement and bidding, for not exceeding fifty years upon a proper rental and with a condition fixing rates charged to the public for units of electric power, both rental and rates to be readjusted equitably every ten years by arbitration or otherwise, with suitable provisions against assignment to prevent monopolistic combinations. Or, that the law shall provide that upon application made by the authorities of the State where the water-power site is situated, it may be patented to the State on condition that the State shall dispose of it under terms like those just described, and shall enforce those terms, or upon failure to comply with the condition the water-power site and all the plant and improvement on the site shall be forfeited and revert to the United States, the President being given the power to declare the forfeiture and to direct legal proceedings for its enforcement. Either of these methods would, I think, accomplish the proper public purpose in respect to water-power sites, but one or the other should be promptly adopted.

NECESSITY FOR PROMPT ACTION.

I earnestly urge upon Congress that at this session general conservation legislation of the character indicated be adopted. At its last session this Congress took most useful and proper steps in the cause of conservation by allowing the Executive, through withdrawals, to suspend the action of the existing laws in respect to much of the public domain. I have not thought that the danger of disposing of coal lands in the United States under the present laws in large quantities was so great as to call for their withdrawal, because under the present provisions it is reasonably certain that the Government will receive the real value of the land. But, in respect to oil lands, or phosphate lands, and of gas lands in the United States, and in respect to coal lands in Alaska, I have exercised the full power of withdrawal with the hope that the action of Congress would follow promptly and prevent that tying up of the resources of the country in the western and less settled portion and in Alaska, which means stagnation and retrogression.

The question of conservation is not a partisan one, and I sincerely hope that even in the short time of the present session consideration may be given to those questions which have now been much discussed, and that action may be taken upon them.

ALASKA.

With reference to the government of Alaska, I have nothing to add to the recommendations I made in my last message on the subject. I am convinced that the migratory character of the population, its unequal distribution, and its smallness of number, which the new census shows to be about 50,000, in relation to the enormous expanse of the territory, make it altogether impracticable to give to those people who are in Alaska to-day and may not be there a year hence, the power to elect a legislature to govern an immense territory to which they have a relation so little permanent. It is far better for the development of the territory that it be committed to a commission to be appointed by the Executive, with limited legislative powers sufficiently broad to meet the local needs, than to continue the present insufficient government with few remedial powers, or to make a popular government where there is not proper foundation upon which to rest it.

The suggestion that the appointment of a commission will lead to the control of the government by corporate or selfish and exploiting interests has not the slightest foundation in fact. Such a government worked well in the Philippines, and would work well in Alaska, and those who are really interested in the proper development of that territory for the benefit of the people who live in it and the benefit of the people of the United States, who own it, should support the institution of such a government.

ALASKAN RAILWAYS.

I have been asked to recommend that the credit of the Government be extended to aid the construction of railroads in Alaska. I am not ready now to do so. A great many millions of dollars have already been expended in the construction of at least two railroads, and if laws be passed providing for the proper development of the resources of Alaska, especially for the opening up of the coal lands, I believe that the capital already invested will induce the investment of more capital, sufficient to complete the railroads building, and to furnish cheap coal not only to Alaska but to the whole Pacific coast. The passage of a law permitting the leasing of government coal lands in Alaska after public competition, and the appointment of a commission for the government of the territory, with enabling powers to meet the local needs, will lead to an improvement in Alaska and the development of her resources that is likely to surprise the country.

NATIONAL PARKS.

Our national parks have become so extensive and involve so much detail of action in their control that it seems to me there ought to be legislation creating a bureau for their care and control. The greatest natural wonder of this country and the surrounding territory should be included in another national park. I refer to the Grand Canyon of the Colorado.

PENSIONS.

The uniform policy of the Government in the matter of granting pensions to those gallant and devoted men who fought to save the life of the Nation in the perilous days of the great Civil War, has always been of the most liberal character. Those men are now rapidly passing away. The best obtainable official statistics show that they are dying at the rate of something over three thousand a month, and, in view of their advancing years, this rate must inevitably, in proportion, rapidly increase. To the man who risked everything on the field of battle to save the Nation in the hour of its direst need, we owe a debt which has not been and should not be computed in a begrudging or parsimonious spirit. But while we should be actuated by this spirit to the soldier himself, care should be exercised not to go to absurd lengths, or distribute the bounty of the Government to classes of persons who may, at this late day, from a mere mercenary motive, seek to obtain some legal relation with an old veteran now tottering on the brink of the grave. The true spirit of the pension laws is to be found in the noble sentiments expressed by Mr. Lincoln in his last inaugural address, wherein, in speaking of the Nation's duty to its soldiers when the struggle should be over, he said we should " care for him who shall have borne the battle, and for his widow and orphans."

DEPARTMENT OF AGRICULTURE.

VALUE OF THIS YEAR'S CROPS.

The report of the Secretary of Agriculture invites attention to the stupendous value of the agricultural products of this country, amounting in all to $8,926,000,000 for this year. This amount is larger than that of 1909 by $305,000,000. The existence of such a crop indicates a good prospect for business throughout the country. A notable change for the better is commented upon by the Secretary in the fact that the South, especially in those regions where the boll weevil has interfered with the growth of cotton, has given more attention to the cultivation of corn and other cereals, so that there is a greater diversification of crops in the South than ever before—and all to the great advantage of that section.

DEPARTMENT ACTIVITIES.

The report contains a most interesting account of the activities of the Department in its various bureaus, showing how closely the agricultural progress in this country is following along the lines of improvement recommended by the Department through its publications and the results of its experiment stations in every State, and by the instructions given through the agricultural schools aided by the Federal Government and following the general curriculum urged by the head and bureau chiefs of the Department.

The activities of the Department have been greatly increased by the enactment of recent legislation, by the pure-food act, the meat-inspection act, the cattle-transportation act, and the act concerning the interstate shipment of game. This department is one of those the scope of whose action is constantly widening, and therefore it is impossible under existing legislation to reduce the cost and their estimates below those of preceding years.

FARMERS' INCOME AND COST OF LIVING.

An interesting review of the results of an examination made by the Department into statistics and prices, shows that on the average since 1891, farm products have increased in value 72 per cent while the things which the farmer buys for use have increased but 12 per cent, an indication that present conditions are favorable to the farming community.

FOREST SERVICE.

I have already referred to the forests of the United States and their extent, and have urged, as I do again, the removal of the limitation upon the power of the Executive to reserve other tracts of land in six Western States in which withdrawal for this purpose is now forbidden. The Secretary of Agriculture gives a very full description of the disastrous fires that occurred during the last summer in the national forests. A drought more intense than any recorded in the history of the West had introduced a condition into the forests which made fires almost inevitable, and locomotive sparks, negligent campers, and in some cases incendiaries furnished the needed immediate cause. At one time the fires were so extended that they covered a range of a hundred miles, and the Secretary estimates that standing timber of the value of 25 millions of dollars was destroyed. Seventy-six persons in the employ of the Forest Service were killed and many more injured, and I regret to say that there is no provision in the law by which the expenses for their hospital treatment or of their interment could be met out of public funds. The Red Cross contributed a thousand dollars, and the remainder of the necessary expenses was made up by private contribution, chiefly from the force of the Forest Service and its officials. I recommend that suitable legislation be adopted to enable the Secretary of Agriculture to meet the moral obligations of the Government in this respect.

APPROPRIATION FOR FIRE FIGHTING.

The specific fund for fighting fires was only about $135,000, but there existed discretion in the Secretary in case of an emergency to apply other funds in his control to this purpose, and he did so to the extent of nearly a million of dollars, which will involve the presentation of a deficiency estimate for the current fiscal year of over $900,000. The damage done was not therefore due to the lack of an appropriation by Congress available to meet the emergency, but the difficulty of fighting it lay in the remote points where the fires began and where it was impossible with the roads and trails as they now exist promptly to reach them. Proper protection necessitates, as the Secretary points out, the expenditure of a good deal more money in the development of roads and trails in the forests, the establishment of lookout stations, and telephone connection between them and places where assistance can be secured.

REFORESTATION.

The amount of reforestation shown in the report of the Forest Service—only about 15,000 acres as compared with the 150 millions of acres of national forests—seems small, and I am glad to note that in this regard the Secretary of Agriculture and the chief of the Forest Service are looking forward to far greater activity in the use of available Government land for this purpose. Progress has been made in learning by experiment the best methods of reforesting. Congress is appealed to now by the Secretary of Agriculture to make the appropriations needed for enlarging the usefulness of the Forest Service in this regard. I hope that Congress will approve and adopt the estimate of the Secretary for this purpose.

DEPARTMENT OF COMMERCE AND LABOR.

The Secretary of the Department of Commerce and Labor has had under his immediate supervision the application of the merit system of promotion to a large number of employees, and his discussion of this method of promotions based on actual experience, I commend to the attention of Congress.

THE CENSUS BUREAU.

The taking of the census has proceeded with promptness and efficiency. The Secretary believes, and I concur, that it will be more thorough and accurate than any census which has heretofore been taken, but it is not perfect. The motive that prompts men with a false civic pride to induce the padding of census returns in order to increase the population of a particular city has been strong enough to lead to fraud in respect to a few cities in this country, and I have directed the Attorney-General to proceed with all the vigor possible against those who are responsible for these frauds. They have been discovered and they will not interfere with the accuracy of the census, but it is of the highest importance that official inquiry of this sort should not be embarrassed by fraudulent conspiracies in some private or local interest.

BUREAU OF LIGHT-HOUSES.

The reorganization of the Light-House Board has effected a very considerable saving in the administration, and the estimates for that service for the present year are $428,000 less than for the preceding year. In addition, three tenders, for which appropriations were made, are not being built because they are not at present needed for the service. The Secretary is now asking for a large sum for the addition of lights and other aids to the commerce of the seas, including a number in Alaska. The trade along that coast is becoming so important that I respectfully urge the necessity for following his recommendation.

BUREAU OF CORPORATIONS.

The Commissioner of Corporations has just completed the first part of a report on the lumber industry in the United States. This part does not find the existence of a trust or combination in the manufacture of lumber. The Commissioner does find, however, a condition in the ownership of the standing timber of the United States, other than the Government timber, that calls for serious attention. The direct investigation made by the Commissioner covered an area which contains 80 per cent of the privately owned timber of the country. His report shows that one-half of the timber in this area is owned by 200 individuals and corporations; that 14 per cent is owned by 3 corporations, and that there is very extensive interownership of stock, as well as other circumstances, all pointing to friendly relations among those who own a majority of this timber, a relationship which might lead to a combination for the maintenance of a price that would be very detrimental to the public interest, and would create the necessity of removing all tariff obstacles to the free importations of lumber from other countries.

BUREAU OF FISHERIES.

I am glad to note in the Secretary's report the satisfactory progress which is being made in respect to the preservation of the seals of the Pribiloff Islands. Very active steps are being taken by the Department of State to secure an arrangement which shall protect the Pribiloff herd from the losses due to pelagic sealing. Meantime the Government has secured seal pelts of the bachelor seals (the killing of which does not interfere with the maintenance of the herd), from the sale of which next month it is expected to realize about $450,000, a sum largely in excess of the rental paid by the lessee of the Government under the previous contract.

COAST AND GEODETIC SURVEY.

The Coast and Geodetic Survey has been engaged in surveying the coasts of the Philippine archipelago. This is a heavy work, because of the extended character of the coast line in those Islands, but I am glad to note that about half of the needed survey has been completed. So large a part of the coast line of the archipelago has been unsurveyed as to make navigation in the neighborhood of a number of the islands, and especially on the east side, particularly dangerous.

BUREAU OF LABOR.

The Commissioner of Labor has been actively engaged in composing the differences between employers and employees engaged in interstate transportation, under the Erdman Act, jointly with the Chairman of the Interstate Commerce Commission. I can not speak in too high terms of the success of these two officers in conciliation and settlement of controversies which, but for their interposition, would have resulted disastrously to all interests.

TAX ON PHOSPHOROUS MATCHES.

I invite attention to the very serious injury caused to all those who are engaged in the manufacture of phosphorous matches. The diseases incident to this are frightful, and as matches can be made from other materials entirely innocuous, I believe that the injurious manufacture could be discouraged and ought to be discouraged by the imposition of a heavy federal tax. I recommend the adoption of this method of stamping out a very serious abuse.

EIGHT-HOUR LAW.

Since 1868 it has been the declared purpose of this Government to favor the movement for an eight-hour day by a provision of law that none of the employees employed by or *on behalf* of the Government should work longer than eight hours in every twenty-four. The first declaration of this view was not accompanied with any penal clause or with any provision for its enforcement, and, though President Grant by a proclamation twice attempted to give it his sanction and to require the officers of the Government to carry it out, the purpose of the framers of the law was ultimately defeated by a decision of the Supreme Court holding that the statute as drawn was merely a direction of the Government to its agents and did not invalidate a contract made in behalf of the Government which provided in the contract for labor for a day of longer hours than eight. Thereafter, in 1892, the present eight-hour law was passed, which provides that the services and employment of all laborers and mechanics who are now or may hereafter be employed by the Government of the United States, by the District of Columbia, or by any contractor or subcontractor on any of the public works of the United States and of the said District of Columbia is hereby restricted to eight hours in any one calendar day. This law has been construed to limit the application of the requirement to those who are directly employed by the Government or to those who are employed upon public works situate upon land owned by the United States. This construction prevented its application to government battle ships and other vessels built in private shipyards and to heavy guns and armor plate contracted for and made at private establishments.

PENDING BILL.

The proposed act provides that no laborer or mechanic doing any part of the work contemplated by a contract with the United States in the employ of the contractor or any subcontractor shall be required or permitted to work more than eight hours a day in any one calendar day.

It seems to me from the past history that the Government has been committed to a policy of encouraging the limitation of the day's work to eight hours in all works of construction initiated by itself, and it seems to me illogical to maintain a difference between government work done on government soil and government work done in a private establishment, when the work is of such large dimensions and involves the expenditure of much labor for a considerable period, so that the private manufacturer may adjust himself and his establishment to the special terms of employment that he must make with his workmen for this particular job. To require, however, that every small contract of manufacture entered into by the Government should be carried out by the contractor with men working at eight hours would be to impose an intolerable burden upon the Government by limiting its sources of supply and excluding altogether the great majority of those who would otherwise compete for its business.

The proposed act recognizes this in the exceptions which it makes to contracts

> "for transportation by land or water, for the transmission of intelligence, and for such materials or articles as may usually be bought in the open market whether made to conform to particular specifications or not, or for the purchase of supplies by the Government, whether manufactured to conform to particular specifications or not."

SUBSTITUTE FOR PENDING BILL.

I recommend that instead of enacting the proposed bill, the meaning of which is not clear and definite and might be given a construction embarrassing to the public interest, the present act be enlarged by providing that public works shall be construed to include not only buildings and work upon public ground, but also ships, armor, and large guns when manufactured in private yards or factories.

PROVISION FOR SUSPENSION IN EMERGENCIES BY PRESIDENT.

One of the great difficulties in enforcing this eight-hour law is that its application under certain emergencies becomes exceedingly oppressive and there is a great temptation to subordinate officials to evade it. I think that it would be wiser to allow the President, by Executive order, to declare an emergency in special instances in which the limitation might not apply and, in such cases, to permit the payment by the Government of extra compensation for the time worked each day in excess of eight hours. I may add that my suggestions in respect to this legislation have the full concurrence of the Commissioner of Labor.

WORKMEN'S COMPENSATION.

In view of the keen, widespread interest now felt in the United States in a system of compensation for industrial accidents to supplant our present thoroughly unsatisfactory system of employers' liability (a subject the importance of which Congress has already recognized by the appointment of a commission), I recommend that the International Congress on Industrial Insurance be invited to hold its meeting in 1913 in Washington, and that an appropriation of $10,000 be made to cover the necessary expenses of organizing and carrying on the meeting.

BUREAU OF IMMIGRATION.

DISTRIBUTING IMMIGRANTS.

The immigration into this country is increasing each year. A large part of it comes through the immigrant station at Ellis Island in the City of New York. An examination of the station and the methods pursued satisfies me that a difficult task is there performed by the commissioner and his force with common sense, the strictest fairness, and with the most earnest desire to enforce the law equitably and mercifully. It has been proposed to enlarge the accommodations so as to allow more of the immigrants to come by that port. I do not think it wise policy to do this. I have no objection to—on the contrary, I recommend—the construction of additional buildings for the purpose of facilitating a closer and more careful examination of each immigrant as he comes in, but I deprecate the enlargement of the buildings and of the force for the purpose of permitting the examination of more immigrants per day than are now examined. If it is understood that no more immigrants can be taken in at New York than are now taken in, and the steamship companies thus are given a reason and a motive for transferring immigrants to other ports, we can be confident that they will be better distributed through the country and that there will not be that congestion in the City of New York which does not make for the better condition of the immigrant or increase his usefulness as a new member of this community. Everything which tends to send the immigrants west and south into rural life helps the country.

AMENDMENTS RECOMMENDED.

I concur with the Secretary in his recommendations as to the amendments to the immigration law in increasing the fine against the companies for violation of the regulations, and in giving greater power to the commissioner to enforce more care on the part of the steamship companies in accepting immigrants. The recommendation of the Secretary, in which he urges that the law may be amended so as to discourage the separation of families, is, I think, a good one.

MISCELLANEOUS SUBJECTS NOT INCLUDED IN DEPARTMENTS.

BUREAU OF HEALTH.

In my message of last year I recommended the creation of a Bureau of Health, in which should be embraced all those Government agencies outside of the War and Navy Departments which are now directed toward the preservation of public health or exercise functions germane to that subject. I renew this recommendation. I greatly regret that the agitation in favor of this bureau has aroused a counteragitation against its creation, on the ground that the establishment of such a bureau is to be in the interest of a particular school of medicine. It seems to me that this assumption is wholly unwarranted, and that those responsible for the Government can be trusted to secure in the personnel of the bureau the appointment of representatives of all recognized schools of medicine, and in the management of the bureau entire freedom from narrow prejudice in this regard.

THE IMPERIAL VALLEY PROJECT.

By an act passed by Congress the President was authorized to expend a million dollars to construct the needed work to prevent injury to the lands of the Imperial Valley from the overflow of the Colorado River. I appointed a competent engineer to examine the locality and to report a plan for construction. He has done so. In order to complete the work it is necessary to secure the consent of Mexico, for part of the work must be constructed in Mexican territory. Negotiations looking to the securing of such authority are quite near success. The Southern Pacific Railroad Company proposes to assist us in the work by lending equipment and by the transportation of material at cost price, and it is hoped that the work may be completed before any danger shall arise from the spring floods in the river. The work is being done under the supervision of the Secretary of the Interior and his consulting engineer, General Marshall, late Chief of Engineers, now retired.

This leads me to invite the attention of Congress to the claim made by the Southern Pacific Railroad Company for an amount expended in a similar work of relief called for by a flood and great emergency. This work, as I am informed, was undertaken at the request of my predecessor and under promise to reimburse the railroad company. It seems to me the equity of this claim is manifest, and the only question involved is the reasonable value of the work done. I recommend the payment of the claim in a sum found to be just.

DISTRICT OF COLUMBIA.

CHARACTER OF GOVERNMENT.

The government of the District of Columbia is a good government. The police force, while perhaps it might be given, or acquire, more military discipline in bearing and appearance, is nevertheless an efficient body of men, free from graft, and discharges its important duties in this capital of the nation effectively. The parks and the streets of the city and the District are generally kept clean and in excellent condition. The Commissioners of the District have its affairs well in hand, and, while not extravagant, are constantly looking to those municipal improvements that are expensive but that must be made in a modern growing city like Washington. While all this is true, nevertheless the fact that Washington is governed by Congress, and that the citizens are not responsible and have no direct control through popular election in District matters, properly subjects the government to inquiry and criticism by its citizens, manifested through the public press and otherwise; such criticism should command the careful attention of Congress. Washington is the capital of the nation and its maintenance as a great and beautiful city under national control, every lover of his country has much at heart; and it should present in every way a model in respect of economy of expenditure, of sanitation, of tenement reform, of thorough public instruction, of the proper regulation of public utilities, of sensible and extended charities, of the proper care of criminals and of youth needing reform, of healthful playgrounds and opportunity for popular recreation, and of a beautiful system of parks. I am glad to think that progress is being made in all these directions, but I venture to point out certain specific improvements toward these ends which Congress in its wisdom might adopt. Speaking generally, I think there ought to be more concentration of authority in respect to the accomplishment of some of these purposes with more economy of expenditure.

PUBLIC PARKS.

Attention is invited to the peculiar situation existing in regard to the parks of Washington. The park system proper, comprising some 343 different areas, is under the Office of Public Buildings and Grounds, which, however, has nothing to do with the control of Rock Creek Park, the Zoological Park, the grounds of the Department of Agriculture, the Botanic Garden, the grounds of the Capitol, and other public grounds which are regularly open to the public and ought to be part of the park system. Exclusive of the grounds of the Soldiers' Home and of Washington Barracks, the public grounds used as parks in the District of Columbia comprise over 3,100 acres, under ten different controlling officials or bodies. This division of jurisdiction is most unfortunate.

Large sums of money are spent yearly in beautifying and keeping in good condition these parks and the grounds connected with Government buildings and institutions. The work done on all of them is of the same general character—work for which the Office of Public Buildings and Grounds has been provided by Congress with a special organization and equipment, which are lacking for the grounds not under that office. There can be no doubt that if all work of care and improvement upon the grounds belonging to the United States in the District of Columbia were put, as far as possible, under one responsible head, the result would be not only greater efficiency and economy in the work itself, but greater harmony in the development of the public parks and gardens of the city.

Congress at its last session provided for two more parks, called the Meridian Hill and Montrose parks, and the District Commissioners have also included in their estimates a sum to be used for the acquisition of much needed park land adjoining the Zoological Park, known as the Klingle Ford tract. The expense of these three parks, included in the estimates of the Commissioners, aggregates $900,000. I think it would lead to economy if the improvement and care of all these parks and other public grounds above described should be transferred to the Office of Public Buildings and Grounds, which has an equipment well and economically adapted to carrying out the public purpose in respect to improvements of this kind.

To prevent encroachments upon the park area it is recommended that the erection of any permanent structure on any lands in the District of Columbia belonging to the United States be prohibited except by specific authority of Congress.

THE DISTRICT OF COLUMBIA IN VIRGINIA.

I have already in previous communications to Congress referred to the importance of acquiring for the District of Columbia at least a part of the territory on the other side of the Potomac in Virginia which was originally granted for the District by the State of Virginia, and then was retroceded by act of Congress in 1846. It is very evident from conferences that I have had with the Senators and Representatives from Virginia that there is no hope of a regranting by the State of the land thus given back; and I am frank to say that in so far as the tract includes the town of Alexandria and land remote from the Potomac River there would be no particular advantage in bringing that within national control. But the land which lies along the Potomac River above the railroad bridge and across the Potomac, including Arlington Cemetery, Fort Myer, the Government experiment farm, the village of Rosslyn, and the Palisades of the Potomac, reaching to where the old District line intersects the river, is very sparsely settled and could be admirably utilized for increasing the system of the parks of Washington. It has been suggested to me by the same Virginia Senators and Representatives that if the Government were to acquire for a government park the land above described, which is not of very great value, the present law of Virginia would itself work the creation of federal jurisdiction over it, and if that were not complete enough, the legislature of Virginia would in all probability so enlarge the jurisdiction as to enable Congress to include it within the control of the government of the District of Columbia and actually make it a part of Washington. I earnestly recommend that steps be taken to carry out this plan.

PUBLIC UTILITIES.

There are a sufficient number of corporations enjoying the use of public utilities in the District of Columbia to justify and require the enactment of a law providing for their supervision and regulation in the public interest consistent with the vested rights secured to them by their charters. A part of these corporations, to wit, the street railways, have been put under the control of the Interstate Commerce Commission, but that Commission recommends that the power be taken from it, and intimates broadly that its other and more important duties make it impossible for it to give the requisite supervision. It seems to me wise to place this general power of supervision and regulation in the District Commissioners. It is said that their present duties are now absorbing and would prevent the proper discharge by them of these new functions, but their present jurisdiction brings them so closely and frequently in contact with these corporations and makes them to know in such detail how the corporations are discharging their duties under the law and how they are serving the public interest that the Commissioners are peculiarly fitted to do this work, and I hope that Congress will impose it upon them by intrusting them with powers in respect to such corporations similar to those of the public utilities commission of New York City or similar boards in Massachusetts.

SCHOOL SYSTEM.

I do not think the present control of the school system of Washington commends itself as the most efficient and economical and thorough instrument for the carrying on of public instruction.

The cost of education in the District of Columbia is excessive as compared with the cost in other cities of similar size, and it is not apparent that the results are in general more satisfactory. The average cost per pupil per day in Washington is about 38 cents, while the average cost in 13 other American cities fairly comparable with Washington in population and standard of education is about 25.5 cents. For each dollar spent in salaries of school teachers and officers in the District about 4.4 days of instruction per pupil are given, while in the 13 cities above referred to each dollar expended for salaries affords on the average 6.8 days of instruction. For the current fiscal year the estimates of the Board of Education amounted to about three-quarters of the entire revenue locally collected for District purposes.

If I may say so, there seems to be a lack of definite plan in the expansion of the school system and the erection of new buildings and of proper economy in the use of these buildings that indicates the necessity for the concentration of control. All plans for improvement and expansion in the school system are with the School Board, while the limitation of expenses is with the District Commissioners. I think it would be much better to put complete control and responsibility in the District Commissioners, and then provide a board of school visitors, to be appointed by the Supreme Court of the District or by the

President, from the different school districts of Washington, who, representing local needs, shall meet and make recommendations to the Commissioners and to the Superintendent of Education—an educator of ability and experience who should be an appointee of and responsible to the District Commissioners.

PERMANENT IMPROVEMENTS.

Among other items for permanent improvements appearing in the District estimates for 1912 is one designed to substitute for Willow Tree Alley, notorious in the records of the Police and Health Departments, a playground with a building containing baths, a gymnasium, and other helpful features, and I hope Congress will approve this estimate. Fair as Washington seems with her beautiful streets and shade trees, and free, as the expanse of territory which she occupies would seem to make her, from slums and insanitary congestion of population, there are centers in the interior of squares where the very poor, and the criminal classes as well, huddle together in filth and noisome surroundings, and it is of primary importance that these nuclei of disease and suffering and vice should be removed, and that there should be substituted for them small parks as breathing spaces, and model tenements having sufficient air space and meeting other hygienic requirements. The estimate for the reform of Willow Tree Alley, the worst of these places in the city, is the beginning of a movement that ought to attract the earnest attention and support of Congress, for Congress can not escape its responsibility for the existence of these human pest holes.

The estimates for the District of Columbia for the fiscal year 1912 provide for the repayment to the United States of $616,000, one-fourth of the floating debt that will remain on June 30, 1911. The bonded debt will be reduced in 1912 by about the same amount.

The District of Columbia is now in an excellent financial condition. Its own share of indebtedness will, it is estimated, be less than $6,000,000 on June 30, 1912, as compared with about $9,000,000 on June 30, 1909.

The bonded debt, owed half and half by the United States and the District, will be extinguished by 1924, and the floating debt of the District probably long before that time.

The revenues have doubled in the last ten years, while the population during the same period has increased but 18.78 per cent. It is believed that, if due economy be practiced, the District can soon emerge from debt, even while financing its permanent improvements with reasonable rapidity from current revenues.

To this end, I recommend the enactment into law of a bill now before Congress—and known as the Judson Bill—which will insure the gradual extinguishment of the District's debt, while at the same time requiring that the many permanent improvements needed to complete a fitting capital city shall be carried on from year to year and at a proper rate of progress with funds derived from the rapidly increasing revenues.

FREEDMEN'S BANK.

I renew my recommendation that the claims of the depositors in the Freedmen's Bank be recognized and paid by the passage of the pending bill on that subject.

NEGRO EXPOSITION.

I also renew my recommendation that steps be taken looking to the holding of a Negro exposition in celebration of the fiftieth anniversary of the issuing by Mr. Lincoln of the Emancipation Proclamation.

CIVIL SERVICE COMMISSION.

The Civil Service Commission has continued its useful duties during the year. The necessity for the maintenance of the provisions of the civil service law was never greater than to-day. Officers responsible for the policy of the Administration, and their immediate personal assistants or deputies, should not be included within the classified service; but in my judgment, public opinion has advanced to the point where it would support a bill providing a secure tenure during efficiency for all purely administrative officials. I entertain the profound conviction that it would greatly aid the cause of efficient and economical government, and of better politics if Congress could enact a bill providing that the Executive shall have the power to include in the classified service all local offices under the Treasury Department, the Department of Justice, the Post-Office Department, the Interior Department, and the Department of Commerce and Labor, appointments to which now require the confirmation of the Senate, and that upon such classification the advice and consent of the Senate shall cease to be required in such appointments. By their certainty of tenure, dependent on good service, and by their freedom from the necessity for political activity, these local officers would be induced to become more efficient public servants.

The civil service law is an attempt to solve the problem of the proper selection of those who enter the service. A better system under that law for promotions ought to be devised, but, given the selected employee, there remains still the question of promoting his efficiency and his usefulness to the Government, and that can be brought about only by a careful comparison of unit work done by the individual and a pointing out of the necessity for improvement in this regard where improvement is possible.

INQUIRY INTO ECONOMY AND EFFICIENCY.

The increase in the activities and in the annual expenditures of the Federal Government has been so rapid and so great that the time has come to check the expansion of government activities in new directions until we have tested the economy and efficiency with which the Government of to-day is being carried on. The responsibility rests upon the head of the Administration. He is held accountable by the public, and properly so. Despite the unselfish and patriotic efforts of the heads of departments and others charged with responsibility of government, there has grown up in this country a conviction that the expenses of government are too great. The fundamental reason for the existence undetected of waste, duplication, and bad management is the lack of prompt, accurate information. The president of a private corporation doing so vast a business as the Government transacts would, through competent specialists, maintain the closest scrutiny on the comparative efficiency and the comparative costs in each division or department of the business. He would know precisely what the duties and the activities of each bureau or division are in order to prevent overlapping. No adequate machinery at present exists for supplying the President of the United States with such information respecting the business for which he is responsible. For the first time in the history of the Government, Congress in the last session supplied this need and made an appropriation to enable the President to inquire into the economy and efficiency of the executive departments, and I am now assembling an organization for that purpose.

At the outset I find comparison between departments and bureaus impossible for the reason that in no two departments are the estimates and expenditures displayed and classified alike. The first step is to reduce all to a common standard for classification and judgment, and this work is now being done. When it is completed, the foundation will be laid for a businesslike national budget, and for such a just comparison of the economy and efficiency with which the several bureaus and divisions are conducted as will enable the President and the heads of Departments to detect waste, eliminate duplication, encourage the intelligent and effective civil servants whose efforts too often go unnoticed, and secure the public service at the lowest possible cost.

The Committees on Appropriations of Congress have diligently worked to reduce the expenses of government and have found their efforts often blocked by lack of accurate information containing a proper analysis of requirements and of actual and reasonable costs. The result of this inquiry should enable the Executive in his communications to Congress to give information to which Congress is entitled and which will enable it to promote economy.

My experience leads me to believe that while Government methods are much criticised, the bad results—if we do have bad results—are not due to a lack of zeal or willingness on the part of the civil servants. On the contrary, I believe that a fine spirit of willingness to work exists in the personnel, which, if properly encouraged, will produce results equal to those secured in the best managed private enterprises. In handling Government expenditure the aim is not profit—the aim is the maximum of public service at the minimum of cost. We wish to reduce the expenditures of the Government, and we wish to save money to enable the Government to go into some of the beneficial projects which we are debarred from taking up now because we ought not to increase our expenditures.

I have requested the head of each Department to appoint committees on economy and efficiency in order to secure full cooperation in the movement by the employees of the Government themselves.

At a later date I shall send to Congress a special message on this general subject.

I urge the continuance of the appropriation of $100,000 requested for the fiscal year 1912.

CIVIL SERVICE RETIREMENT.

It is impossible to proceed far in such an investigation without perceiving the need of a suitable means of eliminating from the service the superannuated. This can be done in one of two ways, either by straight civil pension or by some form of contributory plan.

Careful study of experiments made by foreign governments shows that three serious objections to the civil pension payable out of the public treasury may be brought against it by the taxpayer, the administrative officer, and the civil employee, respectively. A civil pension is bound to become an enormous, continuous, and increasing tax on the public exchequer; it is demoralizing to the service since it makes difficult the dismissal of incompetent employees after they have partly earned their pension; and it is disadvantageous to the main body of employees themselves since it is always taken into account in fixing salaries and only the few who survive and remain in the service until pensionable age receive the value of their deferred pay. For this reason, after a half century of experience under a most liberal pension system, the civil servants of England succeeded, about a year ago, in having the system so modified as to make it virtually a contributory plan with provision for refund of their theoretical contributions.

The experience of England and other countries shows that neither can a contributory plan be successful, human nature being what it is, which does not make provision for the return of contributions, with interest, in case of death or resignation before pensionable age. Followed to its logical conclusion this means that the simplest and most independent solution of the problem for both employee and the Government is a compulsory savings arrangement, the employee to set aside from his salary a sum sufficient, with the help of a liberal rate of interest from the Government, to purchase an adequate annuity for him on retirement, this accumulation to be inalienably his and claimable if he leaves the service before reaching the retirement age or by his heirs in case of his death. This is the principle upon which the Gillett bill now pending is drawn.

The Gillett bill, however, goes further and provides that the Government shall contribute to the pension fund of those employees who are now so advanced in age that their personal contributions will not be sufficient to create their annuities before reaching the retirement age. In my judgment this provision should be amended so that the annuities of those employees shall be paid out of the salaries appropriated for the positions vacated by retirement, and that the difference between the annuities thus granted and the salaries may be used for the employment of efficient clerks at the lower grades. If the bill can be thus amended I recommend its passage, as it will initiate a valuable system and ultimately result in a great saving in the public expenditures.

INTERSTATE COMMERCE COMMISSION.

There has not been time to test the benefit and utility of the amendments to the interstate commerce law contained in the act approved June 18, 1910. The law as enacted did not contain all the features which I recommended. It did not specifically denounce as unlawful the purchase by one of two parallel and competing roads of the stock of the other. Nor did it subject to the restraining influence of the Interstate Commerce Commission the power of corporations engaged in operating interstate railroads to issue new stock and bonds; nor did it authorize the making of temporary agreements between railroads, limited to thirty days, fixing the same rates for traffic between the same places.

I do not press the consideration of any of these objects upon Congress at this session. The object of the first provision is probably generally covered by the antitrust law. The second provision was in the act referred to the consideration of a commission to be appointed by the Executive and to report upon the matter to Congress. That commission has been appointed, and is engaged in the investigation and consideration of the question submitted under the law. It consists of President Arthur T. Hadley, of Yale University, as chairman; Frederick Strauss, Frederick N. Judson, Walter L. Fisher, and Prof. B. H. Meyer, with William E. S. Griswold as secretary.

The third proposal led to so much misconstruction of its object, as being that of weakening the effectiveness of the antitrust law, that I am not disposed to press it for further consideration. It was intended to permit railroad companies to avoid useless rate cutting by a mere temporary acquiescence in the same rates for the same service over competing railroads, with no obligation whatever to maintain those rates for any time.

SAFETY APPLIANCES AND PROVISIONS.

The protection of railroad employees from personal injury is a subject of the highest importance and demands continuing attention. There have been two measures pending in Congress, one for the supervision of boilers and the other for the enlargement of dangerous clearances. Certainly some measures ought to be adopted looking to a prevention of accidents from these causes. It seems to me that with respect to boilers a bill might well be drawn requiring and enforcing by penalty a proper system of inspection by the railway companies themselves which would accomplish our purpose. The entire removal of outside clearances would be attended by such enormous expense that some other remedy must be adopted. By act of May 6, 1910, the Interstate Commerce Commission is authorized and directed to investigate accidents, to report their causes and its recommendations. I suggest that the Commission be requested to make a special report as to injuries from outside clearances and the best method of reducing them.

VALUATION OF RAILROADS.

The Interstate Commerce Commission has recommended appropriations for the purpose of enabling it to enter upon a valuation of all railroads. This has always been within the jurisdiction of the Commission, but the requisite funds have been wanting. Statistics of the value of each railroad would be valuable for many purposes, especially if we ultimately enact any limitations upon the power of the interstate railroads to issue stocks and bonds, as I hope we may. I think, therefore, that in order to permit a correct understanding of the facts, it would be wise to make a reasonable appropriation to enable the Interstate Commerce Commission to proceed with due dispatch to the valuation of all railroads. I have no doubt that railroad companies themselves can and will greatly facilitate this valuation and make it much less costly in time and money than has been supposed.

FRAUDULENT BILLS OF LADING.

Forged and fraudulent bills of lading purporting to be issued against cotton, some months since, resulted in losses of several millions of dollars to American and foreign banking and cotton interests. Foreign bankers then notified American bankers that, after October 31, 1910, they would not accept bills of exchange drawn against bills of lading for cotton issued by American railroad companies, unless American bankers would guarantee the integrity of the bills of lading. The American bankers rightly maintained that they were not justified in giving such guarantees, and that, if they did so, the United States would be the only country in the world whose bills were so discredited, and whose foreign trade was carried on under such guaranties.

The foreign bankers extended the time at which these guaranties were demanded until December 31, 1910, relying upon us for protection in the meantime, as the money which they furnish to move our cotton crop is of great value to this country.

For the protection of our own people and the preservation of our credit in foreign trade, I urge upon Congress the immediate enactment of a law under which one who, in good faith, advances money or credit upon a bill of lading issued by a common carrier upon an interstate or foreign shipment can hold the carrier liable for the value of the goods described in the bill at the valuation specified in the bill, at least to the extent of the advances made in reliance upon it. Such liability exists under the laws of many of the States. I see no objection to permitting two classes of bills of lading to be issued: (1) Those under which a carrier shall be absolutely liable, as above suggested, and (2) those with respect to which the carrier shall assume no liability except for the goods actually delivered to the agent issuing the bill. The carrier might be permitted to make a small separate specific charge in addition to the rate of transportation for such guaranteed bill, as an insurance premium against loss from the added risk, thus removing the principal objection which I understand is made by the railroad companies to the imposition of the liability suggested, viz., that the ordinary transportation rate would not compensate them for the liability assumed by the absolute guaranty of the accuracy of the bills of lading.

I further recommend that a punishment of fine and imprisonment be imposed upon railroad agents and shippers for fraud or misrepresentation in connection with the issue of bills of lading issued upon interstate and foreign shipments.

GENERAL CONCLUSION AS TO INTERSTATE COMMERCE AND ANTITRUST LAW.

Except as above, I do not recommend any amendment to the interstate-commerce law as it stands. I do not now recommend any amendment to the anti-trust law. In other words, it seems to me that the existing legislation with reference to the regulation of corporations

THE MOBILIZATION OF TROOPS IN TEXAS, 1911

MOBILIZATION OF TROOPS IN TEXAS, 1911

The laws of neutrality required that we prevent the exportation from the United States of munitions of war, for the use of the Mexican insurrectos under General Madero. In order to accomplish this purpose the whole border was patrolled by United States troops. The numbers of the troops, the haste with which the movement was made, and the fact that they carried ball cartridges caused a good deal of speculation as to an ulterior motive. There is a possibility that the President feared that anarchy would follow the overthrow of the Diaz régime and desired to have troops ready to march into the country and protect foreigners so as to obviate the necessity of other nations intervening to protect their nationals. The army responded fairly well to the demands of the moment.

See the articles, "Mexico, Treaties with," "Mexico," "Neutrality Proclamation of," in the encyclopedic index (volume eleven).

and the restraint of their business has reached a point where we can stop for a while and witness the effect of the vigorous execution of the laws on the statute books in restraining the abuses which certainly did exist and which roused the public to demand reform. If this test develops a need for further legislation, well and good, but until then let us execute what we have. Due to the reform movements of the present decade, there has undoubtedly been a great improvement in business methods and standards. The great body of business men of this country, those who are responsible for its commercial development, now have an earnest desire to obey the law and to square their conduct of business to its requirements and limitations. These will doubtless be made clearer by the decisions of the Supreme Court in cases pending before it. It is in the interest of all the people of the country that for the time being the activities of government, in addition to enforcing earnestly and impartially the existing laws, should be directed to economy of administration, to the enlargement of opportunities for foreign trade, to the conservation and improvement of our agricultural lands and our other natural resources, to the building up of home industries, and to the strengthening of confidence of capital in domestic investment.

WILLIAM H. TAFT.

APPENDIX TO SECOND ANNUAL MESSAGE.

ADDRESS TO THE NATIONAL CONSERVATION CONGRESS IN ST. PAUL, MINN., SEPTEMBER 5, 1910.

[Figures as to land withdrawals, classifications, and valuations are brought down to November 15, 1910.]

Conservation as an economic and political term has come to mean the preservation of our natural resources for economical use, so as to secure the greatest good to the greatest number. In the development of this country, in the hardships of the pioneer, in the energy of the settler, in the anxiety of the investor for quick returns, there was very little time, opportunity, or desire to prevent waste of those resources supplied by nature which could not be quickly transmuted into money; while the investment of capital was so great a desideratum that the people as a community exercised little or no care to prevent the transfer of absolute ownership of many of the valuable natural resources to private individuals, without retaining some kind of control of their use. The impulse of the whole new community was to encourage the coming of population, the increase of settlement, and the opening up of business; and he who demurred in the slightest degree to any step which promised additional development of the idle resources at hand was regarded as a traitor to his neighbors and an obstructor to public progress. But now that the communities have become old, now that the flush of enthusiastic expansion has died away, now that the would-be pioneers have come to realize that all the richest lands in the country have been taken up, we have perceived the necessity for a change of policy in the disposition of our national resources so as to prevent the continuance of the waste which has characterized our phenomenal growth in the past. To-day we desire to restrict and retain under public control the acquisition and use by the capitalist of our natural resources.

The danger to the State and to the people at large from the waste and dissipation of our national wealth is not one which quickly impresses itself on the people of the older communities, because its most obvious instances do not occur in their neighborhood, while in the newer part of the country the sympathy with expansion and development is so strong that the danger is scoffed at or ignored. Among scientific men and thoughtful observers, however, the danger has always been present; but it needed some one to bring home the crying need for a remedy of this evil so as to impress itself on the public mind and lead to the formation of public opinion and action by the representatives of the people. Theodore Roosevelt took up this task in the last two years of his second administration, and well did he perform it.

As President of the United States I have, as it were, inherited this policy, and I rejoice in my heritage. I prize my high opportunity to do all that an Executive can do to help a great people realize a great national ambition. For conservation is national. It affects every man of us, every woman, every child. What I can do in the cause I shall do, not as President of a party, but as President of the whole people. Conservation is not a question of politics, or of factions, or of persons. It is a question that affects the vital welfare of all of us—of our children and our children's children. I urge that no good can come from meetings of this sort unless we ascribe to those who take part in them, and who are apparently striving worthily in the cause, all proper motives, and unless we judicially consider every measure or method proposed with a view to its effectiveness in achieving our common purpose, and wholly without regard to who proposes it or who will claim the credit for its adoption. The problems are of very great difficulty and call for the calmest consideration and clearest foresight. Many of the questions presented have phases that are new in this country, and it is possible that in their solution we may have to attempt first one way and then another. What I wish to emphasize, however, is that a satisfactory conclusion can only be reached promptly if we avoid acrimony, imputations of bad faith, and political controversy.

The public domain of the Government of the United States, including all the cessions from those of the thirteen States that made cessions to the United States and including Alaska, amounted in all to about 1,800,000,000 acres. Of this there is left as purely government property outside of Alaska something like 700,000,000 acres. Of this the national forest reserves in the United States proper embrace 144,000,000 acres. The rest is largely mountain or arid country, offering some opportunity for agriculture by dry farming and by reclamation, and containing metals as well as coal, phosphates, oils, and natural gas. Then the Government owns many tracts of land lying along the margins of streams that have water power, the use of which is necessary in the conversion of the power into electricity and its transmission.

I shall divide my discussion under the heads of (1) agricultural lands; (2) mineral lands—that is, lands containing metalliferous minerals; (3) forest lands; (4) coal lands; (5) oil and gas lands; and (6) phosphate lands.

I feel that it will conduce to a better understanding of the problems presented if I take up each class and describe, even at the risk of tedium, first, what has been done by the last administration and the present one in respect to each kind of land; second, what laws at present govern its disposition; third, what was done by the present Congress in this matter; and, fourth, the statutory changes proposed in the interest of conservation.

(1) AGRICULTURAL LANDS.

Our land laws for the entry of agricultural lands are now as follows:

The original homestead law, with the requirements of residence and cultivation for five years, much more strictly enforced now than ever before.

The enlarged homestead act, applying to nonirrigable lands only, requiring five years' residence and continuous cultivation of one-fourth of the area.

The desert-land act, which requires on the part of the purchaser the ownership of a water right and thorough reclamation of the land by irrigation, and the payment of $1.25 per acre.

The donation or Carey Act, under which the State selects the land and provides for its reclamation, and the title vests in the settler who resides upon the land and cultivates it and pays the cost of reclamation.

The national reclamation homestead law, requiring five years' residence and cultivation by the settler on the land irrigated by the Government, and payment by him to the Government of the cost of the reclamation.

There are other acts, but not of sufficient general importance to call for mention unless it is the stone and timber act, under which every individual, once in his lifetime, may acquire 160 acres of land, if it has valuable timber on it or valuable stone, by paying the price of not less than $2.50 per acre, fixed after examination of the stone or timber by a government appraiser. In times past a great deal of fraud has been perpetrated in the acquisition of lands under this act; but it is now being much more strictly enforced, and the entries made are so few in number that it seems to serve no useful purpose and ought to be repealed.

The present Congress passed a bill of great importance, severing the ownership of coal by the Government in the ground from the surface and permitting homestead entries upon the surface of the land, which, when perfected, give the settler the right to farm the surface, while the coal beneath the surface is retained in ownership by the Government and may be disposed of by it under other laws.

There is no crying need for radical reform in the methods of disposing of what are really agricultural lands. The present laws have worked well. The enlarged homestead law has encouraged the successful farming of lands in the semiarid regions. Of course the teachings of the Agricultural Department as to how these subarid lands may be treated and the soil preserved for useful culture are of the very essence of conservation. Then conservation of agricultural lands is shown in the reclamation of arid lands by irrigation and I should devote a few words to what the Government has done and is doing in this regard.

RECLAMATION.

By the reclamation act a fund has been created of the proceeds of the public lands of the United States with which to construct works for storing great bodies of water at proper altitudes from which, by a suitable system of canals and ditches, the water is to be distributed over the arid and subarid lands of the Government to be sold to settlers at a price sufficient to pay for the improvements. Primarily, the projects are and must be for the improvement of public lands. Incidentally, where private land is also within the reach of the water supply, the furnishing at cost or profit of this water to private owners by the Government is held by the Federal Court of Appeals not to be a usurpation of power. But certainly this ought not to be done except from surplus water not needed for government land. About 30 projects have been set on foot distributed through the public-land States in accord with the statute, by which the allotments from the reclamation fund are required to be as near as practicable in proportion to the proceeds from the sale of the public lands in the respective States. The total sum already accumulated in the reclamation fund is about $69,449,058.76, and of that all but $6,241,058.76 has been allotted. It became very clear to Congress at its last session, from the statements made by experts, that these 30 projects could not be promptly completed with the balance remaining on hand or with the funds likely to accrue in the near future. It was found, moreover, that there are many settlers who have been led into taking up lands with the hope and understanding of having water furnished in a short time, who are left in a most distressing situation. I recommended to Congress that authority be given to the Secretary of the Interior to issue bonds in anticipation of the assured earnings by the projects, so that the projects, worthy and feasible, might be promptly completed, and the settlers might be relieved from their present inconvenience and hardship. In authorizing the issue of these bonds, Congress limited the application of their proceeds to those projects which a board of army engineers, to be appointed by the President, should examine and determine to be feasible and worthy of completion. The board has been appointed and soon will make its report.

(2) MINERAL LANDS.

By mineral lands I mean those lands bearing metals, or what are called metalliferous minerals. The rules of ownership and disposition of these lands were first fixed by custom in the West, and then were embodied in the law, and they have worked, on the whole, so fairly and well that I do not think it is wise now to attempt to change or better them. The apex theory of tracing title to a lode has led to much litigation and dispute and ought not to have become the law, but it is so fixed and understood now that the benefit to be gained by a change is altogether outweighed by the inconvenience that would attend the introduction of a new system. So, too, the proposal for the Government to lease such mineral lands and deposits and to impose royalties might have been in the beginning a good thing, but now that most of the mineral land—I do not refer to coal land, or gas land, or phosphate land—has been otherwise disposed of it would be hardly worth while to assume the embarrassment of a radical change.

(3) FOREST LANDS.

Nothing can be more important in the matter of conservation than the treatment of our forest lands. It was probably the ruthless destruction of forests in the older States that first called attention to the necessity for a halt in the waste of our resources. This was recognized by Congress by an act authorizing the Executive to reserve from entry and set aside public timber lands as national forests. Speaking generally, there has been reserved of the existing forests about 70 per cent of all the timber lands of the Government. Within these forests (including 26,000,000 acres in two forests in Alaska) are 192,000,000 of acres, of which 166,000,000 of acres are in the United States proper and include within their boundaries something like 22,000,000 of acres that belong to the State or to private individuals. We have, then, excluding Alaska forests, a total of about 144,000,000 acres of forests belonging to the Government which is being treated in accord with the principles of scientific forestry. The law now prohibits the reservation of any more forest lands in Oregon, Washington, Idaho, Montana, Colorado, and Wyoming, except by act of Congress. I am informed by the Department of Agriculture that the Government owns other tracts of timber land in these States which should be included in the forest reserves. I expect to recommend to Congress that the limitation herein imposed shall be repealed. In the present forest reserves there are lands which are not properly forest land and which ought to be subject to homestead entry. This has caused some local irritation. We are carefully eliminating such lands from forest reserves, or, where their elimination is not practicable, listing them for entry under the forest homestead act. Congress ought to trust the Executive to use the power of reservation only with respect to land covered by timber or which will be useful in the plan of reforestation. During the present administration steps have been initiated which will result in the elimination of 6,250,000 acres of land, largely nontimbered, from forest reserves and in the addition of 3,500,000 acres of land principally valuable for forest purposes, making a net reduction in forest reserves amounting to 2,750,000 acres. The Bureau of Forestry since its creation has initiated reforestation on about 15,000 acres. A great deal of the forest land is available for grazing. During the past year the grazing lessees numbered 25,687, and they pastured upon the forest reserves 1,409,873 cattle, 85,552 horses, and 7,558,650 sheep, for which the Government received $986,909—a decrease from the preceding year of $45,276, due to the fact that no money was collected or received for grazing on the nontimbered lands eliminated from the forest reserve. Another source of profit in the forestry is the receipts for timber sold. This year they amounted to $1,043,428, an increase of $307,326 over the receipts of last year. This increase is due to the improvement in transportation to market and to the greater facility with which the timber can be reached.

The government timber in this country amounts to only one-fourth of all the timber, the rest being in private ownership. Only 3 per cent of that which is in private ownership is looked after properly and treated according to modern rules of forestry. The usual destructive waste and neglect continues in the remainder of the forests owned by private persons and corporations. It is estimated that fire alone destroys fifty million dollars' worth of timber a year. The management of forests not on public land is beyond the jurisdiction of the Federal Government. If anything can be done by law it must be done by the state legislatures. I believe that it is within their constitutional power and duty to require the enforcement of regulations in the general public interest, as to fire and other causes of waste in the management of forests owned by private individuals and corporations.

OTHER LAND WITHDRAWALS.

When President Roosevelt became fully advised of the necessity for the change in our disposition of public lands, especially those containing coal, oil, gas, phosphates, or water-power sites, he began the exercise of the power of withdrawal by executive order, of lands subject by law to homestead and the other methods of entering for agricultural lands. The precedent he set in this matter was followed by the present administration. Doubt had been expressed in some quarters as to the power in the Executive to make such withdrawals. The confusion and injustice likely to arise if the courts were to deny the power led me to appeal to Congress to give the President the express power. Congress has complied. The law as passed does not expressly validate or confirm previous withdrawals, and therefore as soon as the new law was passed, I myself confirmed all the withdrawals which had theretofore been made by both administrations by making them over again. This power of withdrawal is a most useful one, and I do not think that it is likely to be abused.

(4) COAL LANDS.

The next subject, and one most important for our consideration, is the disposition of the coal lands in the United States and in Alaska. First, as to those in the United States. At the beginning of this administration there were classified coal lands amounting to 5,476,000 acres, and there were withdrawn from entry for purposes of classification 17,867,000 acres. Since that time there have been withdrawn by my order from entry for classification 78,977,745 acres, making a total withdrawal of 96,844,745 acres. Meantime, of the acres thus withdrawn, 10,061,889 have been classified and found not to contain coal, and have been restored to agricultural entry, and 4,726,091 acres have been classified as coal lands, while 79,903,239 acres remain withdrawn from entry and await classification. In addition 337,000 acres have been classified as coal lands without prior withdrawal, thus increasing the classified coal lands to 10,429,372 acres.

Under the laws providing for the disposition of coal lands in the United States, the minimum price at which lands are permitted to be sold is $10 an acre; but the Secretary of the Interior has the power to fix a maximum price and to sell at that price. By the first regulations governing appraisal, approved April 8, 1907, the minimum was $10, as provided by law, and the maximum was $100, and the highest price actually placed upon any land sold was $75. Under the new regulations, adopted April 10, 1909, the maximum price was increased to $300, except in regions where there are large mines, where no maximum limit is fixed and the price is determined by the estimated tons of coal to the acre. The highest price fixed for any land under this regulation has been $608. The appraised value of the lands classified as coal lands and valued under the new and old regulations is shown to be as follows: 3,795,445 acres, valued under the old regulation at $76,804,337, an average of approximately $20.50 an acre; and 6,633,927 acres classified and valued under the new regulation at $430,050,364, or a total of 10,429,372 acres, valued at $506,854,701.

For the year ended June 30, 1909, 213 coal entries were made, embracing an area of 31,045 acres, which sold for $556,502.03. For the year ended June 30, 1910, there were 248 entries, embracing an area of 38,325 acres, which sold for $772,325.41; and from June 30 to November, 1910, there were 38 entries, with an area of 5,164 acres, which sold for $103,082.75, making the disposition of coal lands within the last two years of about 75,000 acres for $1,431,910.

The present Congress, as already said, has separated the surface of coal lands, either classified or withdrawn for classification, from the coal beneath, so as to permit at all times homestead entries upon the surface of lands useful for agriculture and to reserve the ownership in the coal to the Government. The question which remains to be considered is whether the existing law for the sale of the coal in the ground should continue in force or be repealed and a new method of disposition adopted. Under the present law the absolute title in the coal beneath the surface passes to the grantee of the Government. The price fixed is upon an estimated amount of the tons of coal per acre beneath the surface, and the prices are fixed so that the earnings will only be a reasonable profit upon the amount paid and the investment necessary. But, of course, this is more or less guesswork, and the Government parts with the ownership of the coal in the ground absolutely. Authorities of the Geological Survey estimate that in the United States to-day there is a supply of about 3,000 billions of tons of coal, and that of this 1,000 billions are in the public domain. Of course, the other 2,000 billions are within private ownership and under no more control as to the use or the prices at which the coal may be sold than any other private property. If the Government leases the coal lands and acts as any landlord would, and imposes conditions in its leases like those which are now imposed by the owners in fee of coal mines in the various coal regions of the East, then it would retain over the disposition of the coal deposits a choice as to the assignee of the lease, a power of resuming possession at the end of the term of the lease, or of readjusting terms at fixed periods of the lease, which might easily be framed to enable it to exercise a limited but effective control in the disposition and sale of the coal to the public. It has been urged that the leasing system has never been adopted in this country, and that its adoption would largely interfere with the investment of capital and the proper development and opening up of the coal resources. I venture to differ entirely from this view. My investigations show that many owners of mining property of this country do not mine it themselves, and do not invest their money in the plants necessary for the mining; but they lease their properties for a term of years varying from twenty to forty years, under conditions requiring the erection of a proper plant and the investment of a certain amount of money in the development of the mines, and fixing a rental and a royalty, sometimes an absolute figure and sometimes one proportioned to the market value of the coal. Under this latter method the owner of the mine shares in the prosperity of his lessees when coal is high and the profits good, and also shares to some extent in their disappointment when the price of coal falls.

I have looked with some care into a report made at the instance of President Roosevelt upon the disposition of coal lands in Australia, Tasmania, and New Zealand. These are peculiarly mining countries, and their experience ought to be most valuable. In all these countries the method for the disposition and opening of coal mines originally owned by the Government is by granting leasehold, and not by granting an absolute title. The terms of the leases run all the way from twenty to fifty years, while the amount of land which may be leased to any individual there is from 320 acres to 2,000 acres. It appears that a full examination was made and the opinions of all the leading experts on the subject were solicited and given, and that with one accord they approved in all respects the leasing system. Its success is abundantly shown. It is possible that at first considerable latitude will have to be given to the Executive in drafting these forms of lease, but as soon as experiment shall show which is the most workable and practicable, its use should be provided for specifically by statute.

The question as to how great an area ought to be included in a lease to one individual or corporation is not free from difficulty; but in view of the fact that the Government retains control as owner, I think there might be some liberality in the amount leased, and that 2,500 acres would not be too great a maximum. The leases should only be granted after advertisement and public competition.

By the opportunity to readjust the terms upon which the coal shall be held by the tenant, either at the end of each lease or at periods during the term, the Government may secure the benefit of sharing in the increased price of coal and the additional profit made by the tenant. By imposing conditions in respect to the character of work to be done in the mines, the Government may control the character of the development of the mines and the treatment of employees with reference to safety. By denying the right to transfer the lease except by the written permission of the governmental authorities, it may withhold the needed consent when it is proposed to transfer the leasehold to persons interested in establishing a monopoly of coal production in any State or neighborhood. As one-third of all the coal supply is held by the Government, it seems wise that it should retain such control over the mining and the sale as the relation of lessor to lessee furnishes.

ALASKA COAL LANDS.

The investigations of the Geological Survey show that the coal properties in Alaska cover about 1,200 square miles, and that there are known to be available about 15 billion tons. This is, however, an underestimate of the coal in Alaska, because further developments will probably increase this amount many times; but we can say with considerable certainty that there are two fields on the Pacific slope which can be reached by railways at a reasonable cost from deep water—in one case of about 50 miles and in the other case of about 150 miles—which will afford certainly 6 billion tons of coal, more than half of which is of a very high grade of bituminous and of anthracite. It is estimated to be worth, in the ground, one-half cent a ton, which makes its value per acre from $50 to $500. The coking-coal lands of Pennsylvania are worth from $800 to $2,000 an acre, while other Appalachian fields are worth from $10 to $386 an acre, and the fields in the Central States from $10 to $2,000 an acre, and in the Rocky Mountains from $10 to $500 an acre. The demand for coal on the Pacific coast is for about 4,500,000 tons a year. It would encounter the competition of cheap fuel oil, of which the equivalent of 12,000,000 tons of coal a year is used there. It is estimated that the coal could be laid down at Seattle or San Francisco, a high-grade bituminous, at $4 a ton and anthracite at $5 or $6 a ton. The price of coal on the Pacific slope varies greatly from time to time in the year and from year to year—from $4 to $12 a ton. With a regular coal supply established, the expert of the Geological Survey, Mr. Brooks, who has made a report on the subject, does not think there would be an excessive profit in the Alaska coal mining because the price at which the coal could be sold would be considerably lowered by competition from these fields and by the presence of crude fuel oil. The history of the laws affecting the disposition of Alaska coal lands shows them to need amendment badly. Speaking of them, Mr. Brooks says:

> "The first act, passed June 6, 1900, simply extended to Alaska the provisions of the coal-land laws in the United States. The law was ineffective, for it provided that only subdivided lands could be taken up, and there were then no land surveys in Alaska. The matter was rectified by the act of April 28, 1904, which permitted unsurveyed lands to be entered and the surveys to be made at the expense of the entrymen. Unfortunately, the law provided that only tracts of 160 acres could be taken up, and no recognition was given to the fact that it was impracticable to develop an isolated coal field requiring the expenditure of a large amount of money by such small units Many claims were staked, however, and surveys were made for patents. It was recognized by everybody familiar with the conditions that after patent was obtained these claims would be combined in tracts large enough to assure successful mining operations. No one experienced in mining would, of course, consider it feasible to open a coal field on the basis of single 160-acre tracts. The claims for the most part were handled in groups, for which one agent represented the several different owners. Unfortunately, a strict interpretation of the statute raised the question whether even a tacit understanding between claim owners to combine after patents had been obtained was not illegal. Remedial legislation was sought and enacted in the statute of May 28, 1908. This law permitted the consolidation of claims staked previous to November 12, 1906, in tracts of 2,560 acres. One clause of this law invalidated the title if any individual or corporation at any time in the future owned any interest whatsoever, directly or indirectly, in more than one tract. The purpose of this clause was to prevent the monopolization of coal fields; its immediate effect was to discourage capital. It was felt by many that this clause might lead to forfeiture of title through the accidents of inheritance, or might even be used by the unscrupulous in blackmailing. It would appear that land taken up under this law might at any time be forfeited to the Government through the action of any individual who, innocently or otherwise, obtained interest in more than one coal company. Such a title was felt to be too insecure to warrant the large investments needed for mining developments. The net result of all this is that no titles to coal lands have been passed."

On November 12, 1906, President Roosevelt issued an executive order withdrawing all coal lands from location and entry in Alaska. On May 16, 1907, he modified the order so as to permit valid locations made prior to the withdrawal on November 12, 1906, to proceed to entry and patent. Prior to that date some 900 claims had been filed, most of them said to be illegal because either made fraudulently by dummy entrymen in the interest of one individual or corporation, or because of agreements made prior to location between the applicants to coöperate in developing the lands. There are 33 claims for 160 acres each, known as the " Cunningham claims," which are claimed to be valid on the ground that they were made by an attorney for 33 different and bona fide claimants who, as alleged, paid their money and took the proper steps to locate their entries and protect them. The representatives of the Government, on the other hand, in the hearings before the Land Office have attacked the validity of these Cunningham claims on the ground that prior to their location there was an understanding between the claimants to pool their claims after they had been perfected and unite them in one company. The trend of decision seems to show that such an agreement would invalidate the claims, although under the subsequent law of May 28, 1908, the consolidation of such claims was permitted, after location and entry, in tracts of 2,560 acres. It would be, of course, improper for me to intimate what the result of the issue as to the Cunningham and other Alaska claims is likely to be, but it ought to be distinctly understood that no private claims for Alaska coal lands have as yet been allowed or perfected, and also that whatever the result as to pending claims, the existing coal-land laws of Alaska are most unsatisfactory and should be radically amended. To begin with, the purchase price of the land is a flat rate of $10 per acre with no power to increase it beyond that, although, as we have seen, the estimate of the agent of the Geological Survey would carry up the maximum of value to $500 an acre. In my judgment it is essential to the proper development of Alaska that these coal lands should be opened, and that the Pacific slope should be given the benefit of the comparatively cheap coal of fine quality which can be furnished at a reasonable price from these fields; but the public, through the Government, ought certainly to retain a wise control and interest in these coal deposits, and I think it may do so safely if Congress will authorize the granting of leases, as already suggested, for government coal lands in the United States, with provisions forbidding the transfer of the leases except with the consent of the Government, thus preventing their acquisition by a combination or monopoly and upon limitations as to the area to be included in any one lease to one individual, and at a certain moderate rental, with royalties upon the coal mined proportioned to the market value of the coal laid down either at Seattle or at San Francisco. Of course such leases should contain conditions requiring the erection of proper plants, the proper development by modern mining methods of the properties leased, and the use of every known and practical means and device for saving the life of the miners.

The Government of the United States has much to answer for in not having given proper attention to the government of Alaska and the development of her resources for the benefit of all the people of the country. I would not force development at the expense of a present or future waste of resources; but the problem as to the disposition of the coal lands for present and future use can be wisely and safely settled in one session if Congress gives it careful attention.

(5) OIL AND GAS LANDS.

In the last administration there were withdrawn from agricultural entry 2,820,000 acres of supposed oil land in California; 1,451,520 acres in Louisiana, of which only 6,500 acres were known to be vacant unappropriated land; and 74,849 acres in Oregon, making a total of 4,346,369 acres. In September, 1909, I directed that all public oil lands, whether then withdrawn or not, should be withheld from disposition pending congressional action, for the reason that the existing placer mining law, although made applicable to deposits of this character, is not suitable to such lands, and for the further reason that it seemed desirable to reserve certain fuel-oil deposits for the use of the American navy. Accordingly the form of all existing withdrawals was changed, and new withdrawals aggregating 2,750,000 acres were made in Arizona, California, Colorado, New Mexico, Utah, and Wyoming. Field examinations during the year showed that of the original withdrawals 2,190,424 acres were not valuable for oil, and they were restored for agricultural entry. Meantime other withdrawals of public oil lands in these states were made, so that November 15, 1910, the outstanding withdrawals amounted to 4,654,000 acres.

The needed oil and gas law is essentially a leasing law. In their natural occurrence, oil and gas can not be measured in terms of acres, like coal, and it follows that exclusive title to these products can normally be secured only after they reach the surface. Oil should be disposed of as a commodity in terms of barrels of transportable product rather than in acres of real estate. This is, of course, the reason for the practically universal adoption of the leasing system wherever oil land is in private ownership. The Government thus would not be entering on an experiment, but simply putting into effect a plan successfully operated in private contracts. Why should not the Government as a landowner deal directly with the oil producer rather than through the intervention of a middleman to whom the Government gives title to the land?

The principal underlying feature of such legislation should be the exercise of beneficial control rather than the collection of revenue. As not only the largest owner of oil lands, but as a prospective large consumer of oil by reason of the increasing use of fuel oil by the navy, the Federal Government is directly concerned both in encouraging rational development and at the same time insuring the longest possible life to the oil supply. The royalty rates fixed by the Government should neither exceed nor fall below the current rates. But much more important than revenue is the enforcement of regulations to conserve the public interest so that the covenants of the lessees shall specifically safeguard oil fields against the penalties from careless drillings and of production in excess of transportation facilities or of market requirements.

One of the difficulties presented, especially in the California fields, is that the Southern Pacific Railroad owns every other section of land in the oil fields, and in those fields the oil seems to be in a common reservoir, or series of reservoirs, communicating through the oil sands, so that the excessive draining of oil at one well, or on the railroad territory generally, would exhaust the oil in the government land. Hence it is important that if the Government is to have its share of the oil it should begin the opening and development of wells on its own property.

In view of the joint ownership which the Government and the adjoining landowners like the Southern Pacific Railroad have in the oil reservoirs below the surface, it is a most interesting and intricate question, difficult of solution, but one which ought to address itself at once to the state lawmakers, how far the state legislature might impose appropriate restrictions to secure an equitable enjoyment of the common reservoir and to prevent waste and excessive drainage by the various owners having access to this reservoir.

It has been suggested, and I believe the suggestion to be a sound one, that permits be issued to a prospector for oil giving him the right to prospect for two years over a certain tract of government land for the discovery of oil, the right to be evidenced by a license for which he pays a small sum. When the oil is discovered, then he acquires title to a certain tract, much in the same way as he would acquire title under a mining law. Of course if the system of leasing is adopted, then he would be given the benefit of a lease upon terms like that above suggested. What has been said in respect to oil applies also to government gas lands.

Under the proposed oil legislation, especially where the government oil lands embrace an entire oil field, as in many cases, prospectors, operators, consumers, and the public can be benefited by the adoption of the leasing system. The prospector can be protected in the very expensive work that necessarily antedates discovery; the operator can be protected against impairment of the productiveness of the wells which he has leased by reason of control of drilling and pumping of other wells too closely adjacent, or by the prevention of improper methods as employed by careless, ignorant, or irresponsible operators in the same field which result in the admission of water to the oil sands; while of course the consumer will profit by whatever benefits the prospector or operator receives in reducing the first cost of the oil.

(6) PHOSPHATE LANDS.

Phosphorus is one of the three essentials to plant growth, the other elements being nitrogen and potash. Of these three, phosphorus is by all odds the scarcest element in nature. It is easily extracted in useful form from the phosphate rock, and the United States contains the greatest known deposits of this rock in the world. They are found in Wyoming, Utah, Idaho, and Florida, as well as in South Carolina, Georgia, and Tennessee. The government phosphate lands are confined to Wyoming, Utah, Idaho, and Florida. Prior to March 4, 1909, there were 4,446,298 acres withdrawn from agricultural entry on the ground that the land covered phosphate rock. Since that time, 2,369,776 acres of the land thus withdrawn were found not to contain phosphate in profitable quantities, while 1,678,000 acres were classified properly as phosphate lands. During this administration there have been withdrawn and classified 437,673 acres, so that to-day there are classified as phosphate-rock land 2,514,195 acres. This rock is most important in the composition of fertilizers to improve the soil, and as the future is certain to create an enormous demand throughout this country for fertilization, the value to the public of such deposits as these can hardly be exaggerated. Certainly with respect to these deposits a careful policy of conservation should be followed. Half of the phosphate of the rock that is mined in private fields in the United States is now exported. As our farming methods grow better the demand for the phosphate will become greater, and it must be arranged so that the supply shall equal the needs of the country. It is uncertain whether the placer or lode law applies to the government phosphate rock. There is, therefore, necessity for some definite and well-considered legislation on this subject, and in aid of such legislation all of the government lands known to contain valuable phosphate rock are now withdrawn from entry. A law that would provide a leasing system for the phosphate deposits, together with a provision for the separation of the surface and mineral rights, as is already provided for in the case of coal, would seem to meet the need of promoting the development of these deposits and their utilization in the agricultural lands of the West. If it is thought desirable to discourage the exportation of phosphate rock and the saving of it for our own lands, this purpose could be accomplished by conditions in the lease granted by the Government to its lessees. Of course, under the Constitution the Government could not tax and could not prohibit the exportation of phosphate, but as proprietor and owner of the lands in which the phosphate is deposited it could impose conditions upon the kind of sales, whether foreign or domestic, which the lessees might make of the phosphate mined.

The tonnage represented by the phosphate lands in government ownership is very great, but the lesson has been learned in the case of such lands that have passed into private ownership in South Carolina, Florida, and Tennessee that the phosphate deposits there are in no sense inexhaustible. Moreover, it is also well understand that in the process of mining phosphate, as it has been pursued, much of the lower grade of phosphate rock, which will eventually all be needed, has been wasted beyond recovery. Such wasteful methods can easily be prevented, so far as the government land is concerned, by conditions inserted in the leases.

(7) WATER-POWER SITES.

Prior to March 4, 1909, there had been, on the recommendation of the Reclamation Service, withdrawn from agricultural entry, because they were regarded as useful for power sites which ought not to be disposed of as agricultural lands, tracts amounting to about 4,000,000 acres. The withdrawals were hastily made and included a great deal of land that was not useful for power sites. They were intended to include the power sites on 29 rivers in 9 States. Since that time 3,475,442 acres of the original 4,000,000 have been restored to settlement because they do not contain power sites; and meantime there have been newly withdrawn 1,240,310 acres of vacant public land and 211,499 acres of entered public land, or a total of 1,451,809 acres. These withdrawals made from time to time cover all the power sites included in the first withdrawals, and many more, on 149 rivers and in 12 States. The disposition of these power sites involves one of the most difficult questions presented in carrying out practical conservation. The Forest Service, under a power found in the statute, has leased a number of these power sites in forest reserves by revocable leases, but no such power exists with respect to power sites that are not located within forest reserves, and the revocable system of leasing is, of course, not a satisfactory one for the purpose of inviting the capital needed to put in proper plants for the transmutation of power.

The statute of 1891 with its amendments permits the Secretary of the Interior to grant perpetual easements or rights of way from water sources over public lands for the primary purpose of irrigation and such electrical current as may be incidentally developed, but no grant can be made under this statute to concerns whose primary purpose is generating and handling electricity. The statute of 1901 authorizes the Secretary of the Interior to issue revocable permits over the public lands to electrical-power companies, but this statute is woefully inadequate because it does not authorize the collection of a charge or fix a term of years. Capital is slow to invest in an enterprise founded on a permit revocable at will.

The subject is one that calls for new legislation. It has been thought that there was danger of combination to obtain possession of all the power sites and to unite them under one control. Whatever the evidence of this, or lack of it, at present we have had enough experience to know that combination would be profitable, and the

THE WASHINGTON MONUMENT

AN APPRECIATION BY MR. GLENN BROWN

Architect; Author, "History of United States Capitol"

GRAY in the dawn, brilliant in the sunlight, black in the thunder-storm, pink in the afterglow, mysterious in the moonlight, vanishing in the mist, lost in the clouds, always majestic, stands the memorial to the Father of his Country.

Its phases forcibly remind us of the shifting and changing fortunes of our great chief. Standing alone, simple and dignified, it is as self-contained and practical as was his character and life. Enshrouded in the mists, shadowy, weird, vanishing from sight, a mere suggestion of an outline visible, it recalls the clouded reputation of Washington when surrounded by foes, false comrades, and encompassed by the fierce elements. Black in the thunder-storm, it brings to mind dark days and bridled passions. Apparently floating in the air when the base is obscured by the fog, it suggests his struggles without reasonable foundation or hope. Brilliantly illuminated at its base and the pinnacle lost in the clouds, it typifies great victories with the ultimate results in doubt. Piercing the shifting clouds as they float past, with the base and crown illuminated by the sunlight, it vividly recalls the force which enabled him to penetrate the darkest shadows. Reflecting the pink blush of the evening glow, it points to the brightness dawning as his life advanced. A column of light in the moon's rays, it is a beacon leading us, as did his life, to forget self in our country's service. Glorious in the sunshine, scintillating, brilliant against the clear blue sky, it forcibly reminds us of the great results springing from an unselfish life of duty.

The aluminum crest sparkles as a beautiful star; its rays are beams of light guiding us to patriotic efforts.

A factor in the artistic composition of the city, it is a charming end to many vistas. Viewed from the Capitol, the White House and the Mall, it stands imposing in its grandeur; from the river it rises pure and simple, with the green hills of Maryland as a noble exhedra, and from the heights, visible through the valley, it always produces a thrill of pleasure. In the sunlight and shadow, thunder-storm and mist, in the clouds and in the clear sky, against the golden sunrise and the red sunset, against the midday sky of blue, and the midnight sky scintillating with stars, against the bright white clouds and the dark gray clouds, moving with the wind, bowing to the warmth of the sun, receiving the lightning's stroke, ever changing, it is always stately, always beautiful.

The corner-stone of the Washington Monument was laid July 4, 1848, but soon the work languished and then stopped entirely. Work was resumed in 1876, and the monument was finally completed December 6, 1884. It is 555 feet high and 50 feet square at the base. The entire cost of the monument was $1,187,710.

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Washington Monument

control of a great number of power sites would enable the holders or owners to raise the price of power at will within certain sections; and the temptations would promptly attract investors, and the danger of monopoly would not be a remote one.

However this may be, it is the plain duty of the Government to see to it that in the utilization and development of all this immense amount of water power, conditions shall be imposed that will prevent monopoly, and will prevent extortionate charges, which are the accompaniment of monopoly. The difficulty of adjusting the matter is accentuated by the relation of the power sites to the water, the fall and flow of which create the power. In the States where these sites are the riparian owner does not control or own the power in the water which flows past his land. That power is under the control and within the grant of the State, and generally the rule is that the first user is entitled to the enjoyment. Now, the possession of the bank or water-power site over which the water is to be conveyed in order to make the power useful, gives to its owner an advantage and a certain kind of control over the use of the water power, and it is proposed that the Government in dealing with its own lands should use this advantage and lease lands for power sites to those who would develop the power, and impose conditions on the leasehold with reference to the reasonableness of the rates at which the power, when transmuted, is to be furnished to the public, and forbidding the union of the particular power with a combination of others made for the purpose of monopoly by forbidding assignment of the lease save by consent of the Government. Serious difficulties are anticipated by some in such an attempt on the part of the General Government, because of the sovereign control of the State over the water power in its natural condition and the mere proprietorship of the Government in the riparian lands. It is contended that through its mere proprietary right in the site the Central Government has no power to attempt to exercise police jurisdiction with reference to how the water power in a river owned and controlled by the State shall be used, and that it is a violation of the State's rights. I question the validity of this objection. The Government may impose any conditions that it chooses in its lease of its own property, even though it may have the same purpose, and in effect accomplish just what the State would accomplish by the exercise of its sovereignty. There are those (and the Director of the Geological Survey, Mr. Smith, who has given a great deal of attention to this matter, is one of them) who insist that this matter of transmuting water power into electricity, which can be conveyed all over the country and across State lines, is a matter that ought to be retained by the General Government, and that it should avail itself of the ownership of these power sites for the very purpose of coordinating in one general plan the power generated from these government-owned sites.

On the other hand, it is contended that it would relieve a complicated situation if the control of the water-power site and the control of the water were vested in the same sovereignty and ownership, viz., the States, and then were disposed of for development to private lessees under the restrictions needed to preserve the interests of the public from the extortions and abuses of monopoly. Therefore, bills have been introduced in Congress providing that whenever the State authorities deem a water power useful they may apply to the Government of the United States for a grant to the State of the adjacent land for a water-power site, and that this grant from the Federal Government to the State shall contain a condition that the State shall never part with the title to the water-power site or the water power, but shall lease it only for a term of years not exceeding fifty, with provisions in the lease by which the rental and the rates for which the power is furnished to the public shall be readjusted at periods less than the term of the lease, say, every ten years. The argument is urged against this disposition of power sites that legislators and state authorities are more subject to corporate influence and control than would be the Central Government; in reply it is claimed that a readjustment of the terms of leasehold every ten years would secure to the public and the State just and equitable terms. Then it is said that the State authorities are better able to understand the local need and what is a fair adjustment in the particular locality than would be the authorities at Washington. It has been argued that after the Federal Government parts with title to a power site it can not control the action of the State in fulfilling the conditions of the deed, to which it is answered that in the grant from the Government there may be easily inserted a condition specifying the terms upon which the State may part with the temporary control of the water-power sites, and, indeed, the water power, and providing for a forfeiture of the title to the water-power sites in case the condition is not performed; and giving to the President, in case of such violation of conditions, the power to declare forfeiture and to direct proceedings to restore to the Central Government the ownership of the power sites with all the improvements thereon, and that these conditions could be promptly enforced and the land and plants forfeited to the General Government by suit of the United States against the State, which is permissible under the Constitution.

I do not express an opinion upon the controversy thus made or a preference as to the two methods of treating water-power sites. I submit the matter to Congress and urge that one or the other of the two plans be promptly adopted.

At the risk of wearying my audience I have attempted to state as succinctly as may be the questions of conservation as they apply to the public domain of the Government, the conditions to which they apply, and the proposed solution of them. In the outset I alluded to the fact that conservation had been made to include a great deal more than what I have discussed here. Of course, as I have referred only to the public domain of the Federal Government I have left untouched the wide field of conservation with respect to which a heavy responsibility rests upon the States and individuals as well. But I think it of the utmost importance that after the public attention has been roused to the necessity of a change in our general policy to prevent waste and a selfish appropriation to private and corporate purposes of what should be controlled for the public benefit, those who urge conservation shall feel the necessity of making clear how conservation can be practically carried out, and shall propose specific methods and legal provisions and regulations to remedy actual adverse conditions. I am bound to say that the time has come for a halt in general rhapsodies over conservation, making the word mean every known good in the world; for, after the public attention has been roused, such appeals are of doubtful utility and do not direct the public to the specific course that the people should take, or have their legislators take, in order to promote the cause of conservation. The rousing of emotions on a subject like this, which has only dim outlines in the minds of the people affected, after a while ceases to be useful, and the whole movement will, if promoted on these lines, die for want of practical direction and of demonstration to the people that practical reforms are intended.

I have referred to the course of the last administration and of the present one in making withdrawals of government lands from entry under homestead and other laws and of Congress in removing all doubt as to the validity of these withdrawals as a great step in the direction of practical conservation. But it is only one of two necessary steps to effect what should be our purpose. It has produced a status quo and prevented waste and irrevocable disposition of the lands until the method for their proper disposition can be formulated. But it is of the utmost importance that such withdrawals should not be regarded as the final step in the course of conservation, and that the idea should not be allowed to spread that conservation is the tying up of the natural resources of the Government for indefinite withholding from use and the remission to remote generations to decide what ought to be done with these means of promoting present general human comfort and progress. For, if so, it is certain to arouse the greatest opposition to conservation as a cause, and if it were the correct expression of the purpose of conservationists it ought to arouse such opposition. Real conservation involves wise, nonwasteful use in the present generation, with every possible means of preservation for succeeding generations; and though the problem to secure this end may be difficult, the burden is on the present generation promptly to solve it and not to run away from it as cowards, lest in the attempt to meet it we may make some mistake. As I have said elsewhere, the problem is how to save and how to utilize, how to conserve and still develop; for no sane person can contend that it is for the common good that nature's blessings should be stored only for unborn generations.

I beg of you, therefore, in your deliberations and in your informal discussion, when men come forward to suggest evils that the promotion of conservation is to remedy, that you invite them to point out the specific evils and the specific remedies; that you invite them to come down to details in order that their discussions may flow into channels that shall be useful rather than into periods that shall be eloquent and entertaining, without shedding real light on the subject. The people should be shown exactly what is needed in order that they make their representatives in Congress and the state legislature do their intelligent bidding.

THE WHITE HOUSE, *December 21, 1910.*

To the Senate and House of Representatives:

The constitutional convention recently held in the Territory of New Mexico has submitted for acceptance or rejection the draft of a constitution to be voted upon by the voters of the proposed new State, which contains a clause purporting to fix the boundary line between New Mexico and Texas which may reasonably be construed to be different from the boundary lines heretofore legally run, marked, established, and ratified by the United States and the State of Texas, and under which claims might be set up and litigation instigated of an unnecessary and improper character. A joint resolution has been introduced in the House of Representatives for the purpose of authorizing the President of the United States and the State of Texas to mark the boundary lines between the State of Texas and the Territory or proposed State of New Mexico, or to reestablish and re-mark the boundary line heretofore established and marked; and to enact that any provision of the proposed constitution of New Mexico that in any way tends to annul or change the boundary lines between Texas and New Mexico shall be of no force or effect. I recommend the adoption of such joint resolution.

The act of June 5, 1858 (vol. 11, U. S. Stats., 310), "authorizing the President of the United States in conjunction with the State of Texas, to run and mark the boundary lines between the Territories of the United States and the State of Texas," under which a survey was made in 1859-60 by one John H. Clark, and in the act of Congress approved March 3, 1891 (vol. 26, U. S. Stats., 971), "the boundary line between said public land strip and Texas, and between Texas and New Mexico, established under the act of June fifth, eighteen hundred and fifty-eight, is hereby confirmed," and a joint resolution was passed by the Legislature of Texas and became a law March 25, 1891, "confirming the location of the boundary line established by the United States commission between No Man's Land and Texas, and Texas and New Mexico under the act of Congress of June 5, 1858." (Laws of Texas, 1891, p. 193, Resolutions.)

The Committee on Indian Affairs, in its report of May 2, 1910 (No. 1250, 61st Cong., 2d sess.), recommended a joint resolution in the fourth section of which appears the following:

> *Provided*, That the part of a line run and marked by monument along the thirty-second parallel of north latitude, and that part of the line run and marked along the one hundred and third degree of longitude west of Greenwich, the same being the east and west and north and south lines between Texas and New Mexico, and run by authority of act of Congress approved June fifth, eighteen hundred and fifty-eight, and known as the Clark lines, and that part of the line along the parallel of thirty-six degrees and thirty minutes of north latitude, forming the north boundary line of the Panhandle of Texas, and which said parts of said lines have been confirmed by acts of Congress of March third, eighteen hundred and ninety-one, shall remain the true boundary lines of Texas and Oklahoma and the Territory of New Mexico: *Provided further*, That it shall be the duty of the commissioners appointed under this act to re-mark said old Clark monuments and lines where they can be found and identified.

The lines referred to in the paragraph above are the same as contained in the proposed joint resolution above referred to.

Under the act of Congress approved June 20, 1910, "An act to enable the people of New Mexico to form a constitution and State government and be admitted into the Union," etc. (vol. 36, U. S. Stats., 557), section 4 provides that when a constitution has been duly ratified by the people of New Mexico, a certified copy of the same shall be submitted to the President of the United States, and in section 5 it provides that after certain elections shall have been held and the result certified to the President of the United States, the President shall immediately issue his proclamation, upon which the proposed State of New Mexico shall be deemed admitted by Congress into the Union, by virtue of said act of June 20, 1910. The required acts have not taken place and therefore to all intents and purposes the proposed State of New Mexico is still a Territory and under the control of Congress.

As the boundary line between Texas and New Mexico is established under the act of June 5, 1858, and confirmed by Congress under the act of March 3, 1891, and ratified by the State of Texas, March 25, 1891, and as the Territory of New Mexico has not up to the present time fulfilled all the requirements under the act of June 20, 1910, for admission to the Union, there is no reason why the joint resolution should not be adopted as above provided, and I recommend the adoption of such resolution for the purpose of conferring indisputable authority upon the President in conjunction with the State of Texas to reestablish and re-mark a boundary already established and confirmed by Congress and the State of Texas.

WILLIAM H. TAFT.

THE WHITE HOUSE, *January 5, 1911.*

To the Senate and House of Representatives:

The act of Congress approved June 17, 1902 (32 Stats., 388), set apart as a fund for the reclamation of arid lands the moneys received from the sales of public lands in certain of the States and Territories, excepting the 5 per cent. of the proceeds of such sales theretofore set aside by law for educational and other purposes. The receipts into the reclamation fund to June 30, 1909, were $58,439,408.93, and the estimated total receipts to June 30, 1910, are $65,714,179.06. The total amount accumulated in the fund to date is estimated at $69,449,058.76, of which all but $6,241,058.76 has been allotted to the several projects. On June 30, 1910, the net investment in reclamation works amounted to $53,781,302.88, of which $52,945,441.03 had on June 30, 1910, been expended in the following primary projects:

State	*Project*	*Net Investment*
Arizona	Salt River	$8,430,959.16
Arizona-California	Colorado River	44,201.97
California	Orland	378,603.11
Arizona-California	Yuma	3,781,355.19
Colorado	Grand Valley	73,110.38
Colorado	Uncompahgre	4,106,639.04
Idaho	Boise	3,373,292.30
Idaho	Minidoka	2,900,896.56
Idaho	Snake River storage	69,142.75

State	*Project*	*Net Investment*
Kansas	Garden City	378,316.07
Montana	Huntley	854,420.36
Montana	Milk River	519,387.23
Montana	St. Mary	265,874.03
Montana	Sun River	599,958.59
Montana-North Dakota	Lower Yellowstone	2,888,899.93
Nebraska-Wyoming	North Platte	4,609,476.50
Nevada	Truckee-Carson	3,975,976.42
New Mexico	Carlsbad	617,665.56
New Mexico	Hondo	346,024.76
New Mexico	Leasburg	193,418.82
New Mexico-Texas	Rio Grande	76,060.58
North Dakota	Buford-Trenton	278,294.40
North Dakota	Williston	528,171.31
Oklahoma	Cimarron	8,873.17
Oregon	Central Oregon	40,133.44
Oregon	Umatilla	1,155,983.22
Oregon-California	Klamath	1,830,600.39
South Dakota	Bellefourche	2,313,525.22
Utah	Strawberry Valley	913,177.91
Washington	Okanogan	538,281.41
Washington	Yakima	3,116,333.48
Wyoming	Shoshone	3,378,387.87
Total		$52,945,441.03

In addition there had been invested in secondary projects June 30, 1910, $587,390.71; in town site development, $10,955.49; in Indian irrigation, $198,704.21, and for general expenses, $38,811.44.

The reclamation act requires the return to the reclamation fund of the estimated cost of construction, and therefore entrymen and private land owners receiving water from such projects are required to contribute their proportion of the cost of construction, operation and maintenance of the projects wherein their lands are located. The total cash returns to the reclamation fund from water right building charges to June 30, 1910, were $902,822.25, and from water right operation and maintenance charges, $249,637.19. In addition there was to June 30, 1910, an additional revenue of $2,086,173.73 derived from sales of town lots, sales of water, leases of power, &c., which are under the law credited as a reduction of the cost of the project from which the receipts are derived. On June 30, 1910, the Government was prepared to supply water in reclamation projects to 876,684 acres of land, and the area of lands included in the projects now under construction amounts to over 3,100,000 acres. No new projects have been undertaken since March 4, 1909, the efforts of the Government having been directed toward the completion of the thirty primary projects theretofore undertaken.

The additions to the reclamation fund from the sales of public land, while approximating between six and seven million dollars per annum since 1902, were found to be insufficient for the completion of existing projects with such expedition as the necessities of the settlers and landowners within the projects undertaken seemed to require. I accordingly recommended the issuance of certificates of indebtedness or bonds against the reclamation fund. The act of June 25, 1910 (36 Stats., 835), which authorized the issuance of not exceeding $20,000,000 of certificates of indebtedness repayable out of the reclamation fund, made the appropriation subject to the conditions that it should be expended upon existing projects and their necessary extensions, and that no part of the same should be expended until after the projects had been examined and reported upon by a board of army engineer officers of the United States Army and approved by me as feasible, practicable and worthy. The board of engineers selected spent the summer in field examinations of the projects, and has submitted to me its report upon each of the projects, heretofore undertaken, together with recommendations as to the allotment of the proceeds of the certificates authorized to be issued. In addition, pursuant to my request the board has submitted its recommendations for the allotment of that part of the reclamation fund derived from the sales of public lands to supplement the $20,000,000 loan and to carry on worthy projects not participating in the distribution of the loan.

The report of the board is based not only upon its field examination of the various projects but upon information derived from personal conference with the field officers and employees of the reclamation service and data furnished by such officers and employees. In addition settlers, landowners and other parties interested in the projects were given an opportunity to be heard. The feasibility of the projects was considered from an engineering and economic standpoint, the board giving consideration to the character of the projects, whether international, interstate or intrastate, the relative amounts of public and private lands capable of irrigation, the money already expended, the necessity of completion of the projects in order to secure its return, the existing contracts or agreements with water users' associations and private individuals and the protection of water rights. The board also points out the importance of certain additional legislation authorizing the sale of surplus stored water and the modification of conditions of payments for water rights on certain projects which will otherwise fail of returning their cost to the reclamation fund. The Secretary of the Interior in his annual report to me has recommended similar legislation.

The board recommended the allotment of the $20,000,000 provided by the act of June 25, 1910, to the following named projects:

Salt River, Arizona	$495,000
Yuma, Arizona and California	1,200,000
Grand Valley, Colorado	1,000,000
Uncompahgre, Colorado	1,500,000
Payette-Boise, Idaho	2,000,000
Milk River, Montana	1,000,000
North Platte, Wyoming and Nebraska	2,000,000
Truckee-Carson, Nevada	1,193,000
Rio Grande, New Mexico, Texas and Mexico	4,500,000
Umatilla, Oregon	325,000
Klamath, Oregon and California	600,000
Strawberry Valley, Utah	2,272,000
Sunnyside, Yakima, Washington	1,250,000
Tieton, Yakima, Washington	665,000
Total	$20,000,000

and that the interest on the loan as provided by said act be charged against the projects on the amounts contributed for their completion.

The recommendation of the board for the tentative allotment of the general reclamation fund among the various projects for the years 1911 to 1914 inclusive was as follows:

Yuma	$2,380,462
Grand Valley	500,000*
Uncompahgre	2,045,000
Minidoka	528,000
Payette-Boise	4,585,435
Huntley	110,000
Milk River	2,950,000
Sun River	3,278,000
Lower Yellowstone	578,000*
North Platte	2,185,000
Truckee-Carson	1,594,000
Rio Grande	1,855,000
Missouri Pumping	270,000*
Belle Fourche	480,000
Okanogan	13,000
Shoshone	2,000,000
Total	$25,351,897

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* Conditional.

No allotments either from the loan or from the general reclamation fund were recommended for the following projects, except for necessary maintenance and operation:

Orland, Cal.; Garden City, Kan.; Kittitas, Wapato and Benton, Yakima project, Wash.; Carlsbad, N. M., and Hondo, N. M.

The last named projects are, with the exception of the Kittitas, Wapato and Benton units of the Yakima project, completed or nearly completed. With respect to the said three units of the Yakima project, the board recommended development of a general system of storage reservoirs for the Yakima Valley, provided Congress authorizes the sale of excess stored water, so that the return of the cost of building of reservoirs may be secured, but did not recommend any allotment of funds for the construction of reservoirs or canals specifically for the said units.

After careful consideration of the report of the board of engineers I approved the same, believing that it sets forth a plan for the distribution of the loan and of the available reclamation fund that from an engineering and economic standpoint will best secure the speedy completion of those projects which, because of their character, the needs of the settlers, treaty or interstate relations, protection of water rights and prompt return to the reclamation fund of the moneys invested should be given the preference in construction and completion over such projects, or parts of projects, which are more remote and may properly wait until a later date for construction or may secure water through private canals, in the event the Government is authorized to dispose of surplus water to the owners of such canals. My approval, however, is subject to the condition that the amounts allotted to the various projects may be adjusted and modified from time to time as is found necessary for the intelligent and proper prosecution of the work and the advantage of the service. I have authorized the Secretary of the Interior to call upon the Secretary of the Treasury from time to time, as the same are needed, for the funds provided for by the act of June 25, 1910, in accordance with the allotments recommended by the board and approved by me.

Pursuant to the recommendations of the Secretary of the Interior and of the board of army engineers I earnestly recommend the enactment of a law which will permit of the disposition of any surplus stored water available from reclamation projects to persons, associations or corporations operating systems for the delivery of water to individual water users for the irrigation of arid lands, and the enactment of legislation which will give executive authority for the modification of conditions of payment for water rights on certain of the projects where, by reason of local conditions, the return of the cost of the projects to the reclamation fund will not be secured unless settlers are permitted to make payments on terms or conditions other than those specified in the public notices heretofore issued. In this connection attention is directed to the provisions of Senate bill 6842 now pending. Attention is also directed to the other legislation pertaining to reclamation projects recommended by the Secretary of the Interior, which legislation would aid in the administration of the reclamation projects.

With the funds now at our disposal and the enactment of the additional legislation suggested it is hoped that the work upon the several projects for which allotments have been made may proceed to an early completion and that the settlers and water users upon the projects upon being furnished with water for the irrigation of their lands may be enabled to return to the Treasury the sums expended in the construction of the projects. In accordance with the requirements of section 2 of the reclamation act the Secretary of the Interior has already transmitted to Congress the ninth annual report of the Reclamation Service, and in order that Congress may be placed in possession of all the information at hand to date with reference to the reclamation projects and the estimated cost of their completion I transmit herewith for its further information a copy of the said report of the Board of Army Engineers.

WILLIAM H. TAFT.

SPECIAL MESSAGE ON CANADIAN RECIPROCITY.

THE WHITE HOUSE, January 26, 1911.

To the Senate and House of Representatives:

In my annual message of December 6, 1910, I stated that the policy of broader and closer trade relations with the Dominion of Canada, which was initiated in the adjustment of the maximum and minimum provisions of the tariff act of August 5, 1909, had proved mutually beneficial and that it justified further efforts for the readjustment of the commercial relations of the two countries. I also informed you that, by my direction, the Secretary of State had dispatched two representatives of the Department of State as special commissioners to Ottawa to confer with representatives of the Dominion Government, that they were authorized to take steps to formulate a reciprocal trade agreement, and that the Ottawa conferences thus begun, had been adjourned to be resumed in Washington.

On the 7th of the present month two cabinet ministers came to Washington as representatives of the Dominion Government, and the conferences were continued between them and the Secretary of State. The result of the negotiations was that on the 21st instant a reciprocal trade agreement was reached, the text of which is herewith transmitted with accompanying correspondence and other data.

One by one the controversies resulting from the uncertainties which attended the partition of British territory on the American Continent at the close of the Revolution, and which were inevitable under the then conditions, have been eliminated—some by arbitration and some by direct negotiation. The merits of these disputes, many of them extending through a century, need not now be reviewed. They related to the settlement of boundaries, the definition of rights of navigation, the interpretation of treaties, and many other subjects.

Through the friendly sentiments, the energetic efforts, and the broadly patriotic views of successive administrations, and especially of that of my immediate predecessor, all these questions have been settled. The most acute related to the Atlantic fisheries, and this long-standing controversy, after amicable negotiation, was referred to The Hague Tribunal. The judgment of that august international court has been accepted by the people of both countries and a satisfactory agreement in pursuance of the judgment has ended completely the controversy. An equitable arrangement has recently been reached between our Interstate Commerce Commission and the similar body in Canada in regard to through rates on the transportation lines between the two countries.

The path having been thus opened for the improvement of commercial relations, a reciprocal trade agreement is the logical sequence of all that has been accomplished in disposing of matters of a diplomatic and controversial character. The identity of interest of two peoples linked together by race, language, political institutions, and geographical proximity offers the foundation. The contribution to the industrial advancement of our own country by the migration across the boundary of the thrifty and industrious Canadians of English, Scotch, and French origin is now repaid by the movement of large numbers of our own sturdy farmers to the northwest of Canada, thus giving their labor, their means, and their experience to the development of that section, with its agricultural possibilities.

The guiding motive in seeking adjustment of trade relations between two countries so situated geographically should be to give play to productive forces as far as practicable, regardless of political boundaries. While equivalency should be sought in an arrangement of this character, an exact balance of financial gain is neither imperative nor attainable. No yardstick can measure the benefits to the two peoples of this freer commercial intercourse and no trade agreement should be judged wholly by custom house statistics.

We have reached a stage in our own development that calls for a statesmanlike and broad view of our future economic status and its requirements. We have drawn upon our natural resources in such a way as to invite attention to their necessary limit. This has properly aroused effort to conserve them, to avoid their waste, and to restrict their use to our necessities. We have so increased in population and in our consumption of food products and the other necessities of life, hitherto supplied largely from our own country, that unless we materially increase our production we can see before us a change in our economic position, from that of a country selling to the world food and natural products of the farm and forest, to one consuming and importing them. Excluding cotton, which is exceptional, a radical change is already shown in our exports in the falling off in the amount of our agricultural products sold abroad and a corresponding marked increase in our manufactures exported. A farsighted policy requires that if we can enlarge our supply of natural resources, and especially of food products and the necessities of life, without substantial injury to any of our producing and manufacturing classes, we should take steps to do so now. We have on the north of us a country contiguous to ours for three thousand miles, with natural resources of the same character as ours which have not been drawn upon as ours have been, and in the development of which the conditions as to wages and character of the wage earner and transportation to market differ but little from those prevailing with us. The difference is not greater than it is between different States of our own country or between different Provinces of the Dominion of Canada. Ought we not, then, to arrange a commercial agreement with Canada, if we can, by which we shall have direct access to her great supply of natural products without an obstructing or prohibitory tariff? This is not a violation of the protective principle, as that has been authoritatively announced by those who uphold it, because that principle does not call for a tariff between this country and one whose conditions as to production, population, and wages are so like ours, and when our common boundary line of three thousand miles in itself must make a radical distinction between our commercial treatment of Canada and of any other country.

The Dominion has greatly prospered. It has an active, aggressive, and intelligent people. They are coming to the parting of the ways. They must soon decide whether they are to regard themselves as isolated permanently from our markets by a perpetual wall or whether we are to be commercial friends. If we give them reason to take the former view, can we complain if they adopt methods denying access to certain of their natural resources except upon conditions quite unfavorable to us? A notable instance of such a possibility may be seen in the conditions surrounding the supply of pulp wood and the manufacture of print paper, for which we have made a conditional provision in the agreement, believed to be equitable. Should we not now, therefore, before their policy has become too crystallized and fixed for change, meet them in a spirit of real concession, facilitate commerce between the two countries, and thus greatly increase the natural resources available to our people?

I do not wish to hold out the prospect that the unrestricted interchange of food products will greatly and at once reduce their cost to the people of this country. Moreover, the present small amount of Canadian surplus for export as compared with that of our own production and consumption would make the reduction gradual. Excluding the element of transportation, the price of staple food products, especially of cereals, is much the same the world over, and the recent increase in price has been the result of a world-wide cause. But a source of supply as near as Canada would certainly help to prevent speculative fluctuations, would steady local price movements, and would postpone the effect of a further world increase in the price of leading commodities entering into the cost of living, if that be inevitable.

In the reciprocal trade agreement numerous additions are made to the free list. These include not only food commodities, such as cattle, fish, wheat and other grains, fresh vegetables, fruits, and dairy products, but also rough lumber and raw materials useful to our own industries. Free lumber we ought to have. By giving our people access to Canadian forests we shall reduce the consumption of our own, which, in the hands of comparatively few owners, now have a value that requires the enlargement of our available timber resources.

Natural, and especially food, products being placed on the free list, the logical development of a policy of reciprocity in rates on secondary food products, or foodstuffs partly manufactured, is, where they cannot also be entirely exempted from duty, to lower the duties in accord with the exemption of the raw material from duty. This has been followed in the trade agreement which has been negotiated. As an example, wheat is made free and the rate on flour is equalized on a lower basis. In the same way, live animals being made free, the duties on fresh meats and on secondary meat products and on canned meats are substantially lowered. Fresh fruits and vegetables being placed on the free list, the duties on canned goods of these classes are reduced.

Both countries in their industrial development have to meet the competition of lower priced labor in other parts of the world. Both follow the policy of encouraging the development of home industries by protective duties within reasonable limits. This has made it difficult to extend the principle of reciprocal rates to many manufactured commodities, but after much negotiation and effort we have succeeded in doing so in various and important instances.

The benefit to our widespread agricultural implement industry from the reduction of Canadian duties in the agreement is clear. Similarly the new, widely distributed and expanding motor vehicle industry of the United States is given access to the Dominion market on advantageous terms.

My purpose in making a reciprocal trade agreement with Canada has been not only to obtain one which would be mutually advantageous to both countries, but one which also would be truly national in its scope as applied to our own country and would be of benefit to all sections. The currents of business and the transportation facilities that will be established forward and back across the border cannot but inure to the benefit of the boundary States. Some readjustments may be needed, but in a very short period the advantage of the free commercial exchange between communities separated only by short distances will strikingly manifest itself. That the broadening of the sources of food supplies, that the opening of the timber resources of the Dominion to our needs, that the addition to the supply of raw materials, will be limited to no particular section does not require demonstration. The same observation applies to the markets which the Dominion offers us in exchange. As an illustration, it has been found possible to obtain free entry into Canada for fresh fruits and vegetables—a matter of special value to the South and to the Pacific coast in disposing of their products in their season. It also has been practicable to obtain free entry for the cottonseed oil of the South—a most important product with a rapidly expanding consumption in the Dominion.

The entire foreign trade of Canada in the last fiscal year, 1910, was $655,000,000. The imports were $376,000,000, and of this amount the United States contributed more than $223,000,000. The reduction in the duties imposed by Canada will largely increase this amount and give us even a larger share of her market than we now enjoy, great as that is.

The data accompanying the text of the trade agreement exhibit in detail the facts which are here set forth briefly and in outline only. They furnish full information on which the legislation recommended may be based. Action on the agreement submitted will not interfere with such revision of our own tariff on imports from all countries as Congress may decide to adopt.

Reciprocity with Canada must necessarily be chiefly confined in its effect on the cost of living to food and forest products. The question of the cost of clothing as affected by duty on textiles and their raw materials, so much mooted, is not within the scope of an agreement with Canada, because she raises comparatively few wool sheep, and her textile manufactures are unimportant.

This trade agreement, if entered into, will cement the friendly relations with the Dominion which have resulted from the satisfactory settlement of the controversies that have lasted for a century, and further promote good feeling between kindred peoples. It will extend the market for numerous products of the United States among the inhabitants of a prosperous neighboring country with an increasing population and an increasing purchasing power. It will deepen and widen the sources of food supply in contiguous territory, and will facilitate the movement and distribution of these foodstuffs.

The geographical proximity, the closer relation of blood, common sympathies, and identical moral and social ideas furnish very real and striking reasons why this agreement ought to be viewed from a high plane.

Since becoming a nation, Canada has been our good neighbor, immediately contiguous across a wide continent without artificial or natural barrier except navigable waters used in common.

She has cost us nothing in the way of preparations for defense against her possible assault, and she never will. She has sought to agree with us quickly when differences have disturbed our relations. She shares with us common traditions and aspirations. I feel I have correctly interpreted the wish of the American people by expressing, in the arrangement now submitted to Congress for its approval, their desire for a more intimate and cordial relationship with Canada. I therefore earnestly hope that the measure will be promptly enacted into law.

WILLIAM H. TAFT.

PROCLAMATION OF MARCH 4, 1911.

[Convening extra session of Congress on April 4, 1911, to consider the Canadian-American reciprocal tariff agreement.]

WHEREAS, by the special message dated January 26, 1911, there was transmitted to the Senate, and the House of Representatives an agreement between the Department of State and the Canadian Government in regard to reciprocal tariff legislation, together with an earnest recommendation that the necessary legislation be promptly adopted; and

WHEREAS, a bill to carry into effect said agreement has passed the House of Representatives, but has failed to reach a vote in the Senate; and

WHEREAS, the agreement stipulates not only that "the President of the United States will communicate to Congress the conclusions now reached and recommend the adoption of such legislation as may be necessary on the part of the United States to give effect to the proposed arrangement," but also that "the Governments of the two countries will use their utmost efforts to bring about such changes by concurrent legislation at Washington and at Ottawa":

NOW, THEREFORE, I, William Howard Taft, President of the United States of America, by virtue of the power vested in me by the Constitution, do hereby proclaim and declare that an extraordinary occasion requires the convening of both Houses of the Congress of the United States at their respective chambers in the city of Washington on the 4th day of April, 1911, at 12 o'clock noon, to the end that they may consider and determine whether the Congress shall, by the necessary legislation, make operative the agreement.

All persons entitled to act as Members of the Sixty-second Congress are required to take notice of this proclamation.

Given under my hand and the seal of the United States at Washington the 4th day of March, A.D. 1911, and of the independence of the United States the one hundred and thirty-fifth.

[SEAL.]

WILLIAM H. TAFT.

By the President:

P. C. KNOX, *Secretary of State.*

SPECIAL MESSAGE.

[Directing attention of Congress to the reciprocal tariff agreement between the Dominion of Canada and the United States.]

THE WHITE HOUSE, *April 5, 1911.*

To the Senate and House of Representatives:

I transmitted to the Sixty-first Congress on January 26th last the text of the reciprocal trade agreement which had been negotiated, under my direction, by the Secretary of State with the representatives of the Dominion of Canada. This agreement was the consummation of earnest efforts, extending over a period of nearly a year, on the part of both governments to effect a trade arrangement which, supplementing as it did the amicable settlement of various questions of a diplomatic and political character that had been reached, would mutually promote commerce and would strengthen the friendly relations now existing.

The agreement in its intent and in its terms was purely economic and commercial. While the general subject was under discussion by the commissioners, I felt assured that the sentiment of the people of the United States was such that they would welcome a measure which would result in the increase of trade on both sides of the boundary line, would open up the reserve productive resources of Canada to the great mass of our own consumers on advantageous conditions, and at the same time offer a broader outlet for the excess products of our farms and many of our industries. Details regarding a negotiation of this kind necessarily could not be made public while the conferences were pending. When, however, the full text of the agreement, with the accompanying correspondence and data explaining both its purpose and its scope, became known to the people through the message transmitted to Congress, it was immediately apparent that the ripened fruits of the careful labors of the commissioners met with widespread approval. This approval has been strengthened by further consideration of the terms of the agreement in all their particulars. The volume of support which has developed shows that its broadly national scope is fully appreciated and is responsive to the popular will.

The House of Representatives of the Sixty-first Congress, after the full text of the arrangement with all the details in regard to the different provisions had been before it, as they were before the American people, passed a bill confirming the agreement as negotiated and as transmitted to Congress. This measure failed of action in the Senate.

In my transmitting message of the 26th of January I fully set forth the character of the agreement and emphasized its appropriateness and necessity as a response to the mutual needs of the people of the two countries as well as its common advantages. I now lay that message, and the reciprocal trade agreement as integrally part of the present message, before the Sixty-second Congress and again invite earnest attention to the considerations therein expressed.

I am constrained, in deference to popular sentiment and with a realizing sense of my duty to the great masses of our people whose welfare is involved, to urge upon your consideration early action on this agreement. In concluding the negotiations, the representatives of the two countries bound themselves to use their utmost efforts to bring about the tariff changes provided for in the agreement by concurrent legislation at Washington and Ottawa. I have felt it my duty, therefore, not to acquiesce in relegation of action until the opening of the Congress in December, but to use my constitutional prerogative and convoke the Sixty-second Congress in extra session in order that there shall be no break of continuity in considering and acting upon this most important subject.

WILLIAM H. TAFT.

SPEECH OF PRESIDENT TAFT

ON THE

RECIPROCAL TARIFF AGREEMENT WITH CANADA

Delivered in New York, on April 27, 1911

The treaty provides for free trade in all agricultural products, and in rough lumber down to the point of planing. It reduces the duties on secondary food products by a very substantial percentage, and it makes such reductions on a number of manufactured articles that those engaged in making them have assured us that the reductions will substantially increase the already large Canadian demand for them.

We tendered to the Canadian commissioners absolutely free trade in all products of either country, manufactured or natural, but the Canadian commissioners did not feel justified in going so far. It is only reasonable to infer, therefore, that with respect to those articles upon which they refused free trade to us they felt that the profitable price at which they could be sold by our manufacturers in Canada was less than the price at which their manufacturers could afford to sell the same either to their own people or to us. Hence it follows that their refusal to agree to free trade in these articles, as we proposed, is the strongest kind of evidence that if we should take off the existing duty from such articles coming into the United States it would not affect in the slightest degree the price at which those articles could be furnished to the public here. In other words, the proposition to put on the free list for entrance into the United States all articles that Canada has declined to make free in both countries would not lower the price to the consumer here. Thus the reason why meats were not put on the free list in this Canadian agreement was because Canada felt that the competition of our packers would injuriously affect the products of their packing houses. If that be true, how would it help our consumer or lower the price of meat in our markets if we let their meat in free while they retained a duty on our meat?

The same thing is true of flour. They would not consent to free trade in flour, because they knew that our flour mills could undersell their millers. If that were so, then how much competition and lowering of the price of flour could we expect from putting Canadian flour on the free list?

And yet gentlemen insist that the farmer has been unjustly treated because we have not put Canadian flour and meat on the free list. And it is proposed to satisfy the supposed grievance of the farmers by now doing so, without any compensating concession from Canada. This proposal would be legislation passed for political-platform uses, without accomplishing any real good.

In another aspect, however, the effect of the proposal might be serious. Of course a mere reduction of our tariff, or the putting of any article on our free list, without insisting on a corresponding change in the Canadian tariff, will not interfere with the contract as made with Canada. Canada cannot object to our giving her greater tariff concessions than we have agreed to give her under the contract. But if we do make such concessions, without any consideration on the part of Canada, without any *quid pro quo,* so to speak, after the contract has been tentatively agreed upon by those authorized to make contracts for ratification in both governments, then we are in danger of creating an obligation against us in favor of all other foreign countries with whom we have existing treaties containing what is called the "favored-nation" clause. By this clause we agree to give the same commercial privileges to the country with whom we have made the treaty as we give to any other nation. This clause has been construed by our statesmen not to involve us in an obligation to extend a privilege to all nations which we confer upon one nation in consideration of an equally valuable privilege received from that one nation. In other words, it has been held not to include special bargains or contracts where there is a consideration moving to each side for the obligation of the other.

But the serious question that would arise is whether if, now that the contract has been tentatively agreed upon and is about to be confirmed by Canada, we should grant to Canada more than the contract requires, we could claim that this extra concession was not a pure gratuity and one which was necessarily extended to all other nations under the "favored-nation" clause. There are two objections, therefore, to inserting in the bill confirming this Canadian contract additions to our free list from Canada. The first is that they are a concession that is of no value to those whom it is proposed to propitiate by adopting it, and the second is that it may involve us indirectly in a doubtful obligation in respect to trade with other countries. If we desire to put meat and flour and other commodities on the free list for the entire world, that is one thing; we can do it with our eyes open and with a knowledge of what it entails after an investigation, but to put such a provision in a Canadian treaty and then have it operate as a free list for the entire world is legislation necessarily ill considered.

More than this, those proposed gratuitous concessions are in the nature of an admission that in some way or other we have done an injury to a particular class by this Canadian reciprocity agreement. I deny it. It is said that it injures the farmers. I deny it. It is strictly in accordance with the protective principle that we should only have a protective tariff between us and countries in which the conditions are so dissimilar as to make a difference in the cost of production. Now, it is known of all men that the general conditions that prevail in Canada are the same as those which obtain in the United States in the matter of agricultural products. Indeed, if there is any advantage, the advantage is largely on the side of the United States, because we have much greater variety of products, in view of the varieties of our climate, than they can have in Canada.

We raise cotton as no other country does. Of course they raise none in Canada.

We raise corn, and hogs and cattle fed on corn, and with the exception of a very small part of the acreage of Canada, in Ontario, it is not possible to raise corn at all in the Dominion.

With respect to wheat and barley and oats, conditions differ in different parts of Canada and in different parts of the United States. Classing them together, and on the whole, the conditions are substantially the same. In prices of farm land the differences are no greater between Canada and the United States than between the different states in the United States. In the matter of farm wages, they differ in different parts of Canada as they do in the United States; but, on the whole, they are about the same—higher in Canada at some places than in the United States and less at others. But there is no pauper class of labor in either country, and the only difference between the two countries is that Canada is farther north than the United States, a difference which, as already said, gives the advantage agriculturally to our side of the border.

It is said that this is an agreement that affects agricultural products more than manufactures. That is true; but if we are to have an interchange of products between the two countries of any substantial amount the chief part of it must necessarily be in agricultural products. As it is we export to Canada more agricultural products than we receive from her, and so it will be afterwards. The effect is not going to lower, in my judgment, the specific prices of agricultural products in our country. It is going to steady them; it is going to reduce the rapid fluctuations, and it is going to produce an interchange of products at a profit which will be beneficial to both countries.

If objection can be made to the treaty on the ground that a particular class derive less benefit from it than other classes, then it is the manufacturer of the country who ought to object, because the treaty, in its nature, will not enlarge his market as much as it will that of the farmer.

I am quite aware that, from one motive or another, a great deal of effort and money have been spent in sending circulars to farmers to convince them that this Canadian treaty, if adopted, will do them injury. I do not know that it is possible to allay such fears by argument, pending the consideration of the treaty by the Senate. It usually takes a considerable time by argument to clarify erroneous economic views of this kind having no foundation in fact, but only in fear, stimulated by misrepresentation and exaggeration. But there is one way —and that a conclusive way—of demonstrating the fallacy and unfounded character of their fears to the farmers, or any other class that believes itself to be unjustly affected by this treaty, and that is to try it on. There is no obligation on either nation to continue the reciprocity arrangement any longer than it desires, and if it be found by actual practice that there is an injury, and a permanent injury, to the farmers of this country, everybody knows that they can sufficiently control legislation to bring about a change and a return to the old conditions. Those of us who are responsible for the Canadian treaty are willing and anxious to subject it to that kind of a test, and we have no doubt that when it is put in operation the ghosts which have been exhibited to frighten the agricultural classes will be laid forever.

Another and a very conclusive reason for closing the contract is the opportunity which it gives us to increase the supply of our natural resources which, with the wastefulness of children, we have wantonly exhausted. The timber resources of Canada, which will open themselves to us inevitably under the operation of this agreement, are now apparently inexhaustible. I say "apparently inexhaustible," for if the same procedure were to be adopted in respect to them that we have followed in respect to our own forests I presume that they, too, might be exhausted. But fortunately for Canada and for us we and they have learned much more than we realized two decades ago with respect to the necessity for proper methods of forestry and of lumber cutting. Hence, we may be safe in saying that under proper modern methods the timber resources open to us in Canada may be made inexhaustible and we may derive ample supplies of timber from Canadian sources, to the profit of Canada and for our own benefit.

There are other natural resources, which I need not stop to enumerate, that will become available to us as if our own if we adopt and maintain commercial union with Canada; and this is one of the chief reasons that ought to commend the Canadian agreement to the farseeing statesmanship of leaders of American public opinion.

But there are other, even broader, grounds than this that should lead to the adoption of the agreement. Canada's superficial area is greater than that of the United States between the oceans. Of course it has a good deal of waste land in the far north, but it has enormous tracts of unoccupied land, or land settled so sparsely as to be substantially unoccupied, which in the next two or three decades will rapidly acquire a substantial and valuable population. The Government is one entirely controlled by the people, and the bond uniting the Dominion with the mother country is light and almost imperceptible. There are no restrictions upon the trade or economic development of Canada which will interfere in the slightest with her carving out her independent future. The attitude of the people is that of affection toward the mother country, and of a sentimental loyalty toward her royal head. But for practical purposes the control exercised from England by Executive or Parliament is imponderable.

Canada has now between seven and eight millions of people. They are a hardy, temperate, persistent race, brave, intelligent, and enterprising, sharing or inheriting the good qualities of all their ancestors, and with a national pride in their Dominion that grows with the wonderful success and prosperity that have attended them in the last three decades. They are good neighbors; we could not have better neighbors. It is more than a hundred years since a hostile shot was fired across the border, and they are like us because our conditions are similar and because our traditions are similar.

They are more restrictive in their immigration laws than we, and perhaps they grow less rapidly; but they have before them a wonderful expansion in population, in agriculture, and in business, and they offer to any nation with whom they have sympathetic relations, and with whom it is profitable for them to deal, a constantly increasing market and an ever-expanding trade.

The question which we now have to answer is whether we propose to maintain an artificial wall across the country of 3,700 miles in length and of indefinite height to prevent the natural trade that would flow between two great nations of people of the same language, of similar character, tradition, business habits, and moral aspirations, when the removal of that wall would furnish to each country the economic advantage of its corresponding enlargement of prosperous population and territory without the added responsibility of government and political control.

The theory that trade is not profitable to one party unless it is done at a loss to the other party is at the bottom of a great deal of the economic fallacies of the past and the present. Trade is mutually beneficial. It is profitable to both parties, for if it is not it cannot and ought not continue. As between Canada and the United States, the trade and the mutual benefit from the trade will increase.

It is amusing—and I am not sure that it has not some elements of consolation in it—to find that all the buncombe and all of the exaggeration and misrepresentation in politics and all of the political ghosts are not confined to our own country, and that there has entered into the discussion in Canada, as a reason for defeating the adoption of this contract by the Canadian Parliament, a fear that we desire to annex the Dominion; and the dreams of Americans with irresponsible imaginations, who like to talk of the starry flag's floating from Panama to the Pole, are exhibited by the opponents of the Canadian treaty in Canada as the declaration of a real policy by this country and as an announcement of our purpose to push political control over our neighbor of the North.

I am not an anti-imperialist, but I have had considerable experience in the countries over which we have assumed temporary control. I do not know when that control will end, but I do know that in respect to those countries we have taken over heavy duties and obligations, the weight of which ought to destroy any temptation to further acquisition of territory.

It would be invidious to institute a comparison between the Government of Canada and this country, but there is one part of our jurisdiction and that of Canada that come together sufficiently close to enable the Canadians and ourselves to realize that the sample of government that we exhibit is not alluring. I refer to the control of Alaska as compared with the control by Canada of her northwest territory. The talk of annexation is bosh. Everyone who knows anything about it realizes that it is bosh. Canada is a great, strong youth, anxious to test his muscles, rejoicing in the race he is ready to run. The United States has all it can attend to with the territory it is now governing, and to make the possibility of the annexation of Canada to the United States a basis for objection to any steps toward their greater economic and commercial union should be treated as one of the jokes of the platform, and should not enter into the consideration of serious men engaged in solving a serious problem.

Why should we not have a closer union with Canada? Think of the absurdity of separating Manitoba and Minneapolis by as great a distance as Manitoba and Liverpool when certainly Providence intended that their separation, socially and commercially, should only be that of their geographical distance. Canadians have furnished us a large number of our best citizens. We are giving them a large number of the pick of our young farmers. Let us open the gateways between us. Let us give to both countries the profit of the trade that God intended between us. Let the political governments remain as they are. Let us abolish arbitrary and artificial obstructions to our association with our friends upon the North and derive the mutual profit that it will certainly bring.

The Canadian contract has passed the House substantially as adopted and in such form that, if adopted in the same way by the Senate, it will go into effect as soon as the bill now pending in the Canadian Parliament shall be passed by that Parliament.

I desire to express my high appreciation of the manner in which the present House of Representatives have treated the reciprocity agreement. It has not "played politics." It has taken the statesmanlike course in respect to it.

I am very hopeful that the Senate will treat the agreement in the same way and that no amendments will there be added to the bill. For the reasons given, I think they are dangerous. It is not for me to question the good faith of those who propose to introduce and adopt them, but it is appropriate to say that the use of amendments is a very common method of defeating legislation when the responsibility for its defeat is one that the movers of such amendments do not desire openly to assume.

It may be that the Canadian contract does not go far enough. In making it we were limited by the reluctance of Canada to go as far as we would wish to have her go, but the fact that it does not go far enough is the poorest reason for not going as far as we can. We were making a contract, we were balancing considerations; we were not making a general tariff law or a general tariff revision. It was no part of our duty to reduce the tariff generally in this contract with other countries. If that is to be done, and if there is a sincere desire to have it done, then it ought to be done by separate legislation, and the passage of the present agreement, which I regard as epoch making in the commercial relations between the two countries, should not be endangered by making its passage conditioned on the passage of tariff revision or other legislation having no real relevancy to the contract.

I appeal to this company, representing as it does the press of the United States, to see to it that it is made clear to the public that this contract ought to stand or fall by its own terms, and that its passage or defeat ought not to be affected in any regard by other amendments to the tariff law. Such a method is a recurrence to the old way of making a tariff bill, which has been properly criticized and condemned, by which its passage is secured not on the merits of particular schedules, but by the support that may be secured in the House or Senate through giving a tariff on particular products of particular localities.

I think there is a general sentiment now in favor of revising the tariff, schedule by schedule, and of making this revision dependent on exact information as to each schedule, gathered by impartial investigators. To amend this Canadian contract and to make its passage dependent on other tariff legislation is to continue the old method of tariff revision characterized, not without reason, as a local issue.

I have said that this was a critical time in the solution of the question of reciprocity. It is critical, because, unless it is now decided favorably to reciprocity, it is exceedingly probable that no such opportunity will ever again come to the United States. The forces which are at work in England and in Canada to separate her by a Chinese wall from the United States and to make her part of an imperial commercial band, reaching from England around the world to England again, by a system of preferential tariffs, will derive an impetus from the rejection of this treaty, and if we would have reciprocity with all the advantages that I have described, and that I earnestly and sincerely believe will follow its adoption, we must take it now or give it up forever.

SPECIAL MESSAGE.

[Recommending legislative action for the suppression of the opium evil.]

THE WHITE HOUSE, *January 11, 1911.*

To the Senate and House of Representatives:

In my annual message, transmitted to the Congress on December 7, 1909, I referred to the International Opium Commission as follows:

> The results of the opium commission, held at Shanghai last spring at the invitation of the United States, have been laid before the Government. The report shows that China is making remarkable progress and admirable efforts toward the eradication of the opium evil, and that the Governments concerned have not allowed their commercial interests to interfere with a helpful coöperation in this reform. Collateral investigations of the opium question in this country lead me to recommend that the manufacture, sale, and use of opium and its derivatives in the United States should be, so far as possible, more rigorously controlled by legislation.

Since making that recommendation, I transmitted to the Congress on February 21, 1910, a report on the International Opium Commission and on the opium problem as seen within the United States and its possessions, prepared on behalf of the American delegates to the commission, and I gave my approval to the recommendations made in a covering letter from the Secretary of State regarding an appropriation and the necessity for Federal legislation for the control of foreign and interstate traffic in certain menacing drugs, and requested that action should be taken accordingly.

The Congress has so far acted on the recommendations as to appropriate $25,000 to enable the Government to continue its efforts to mitigate, if not entirely stamp out, the opium evil through the proposed international opium conference and otherwise to further investigation and procedure.

I now transmit a further report from the Secretary of State giving cogent reasons why the opium-exclusion act of February 9, 1909, should be made more effective by amendments that will prohibit any vessel engaged in trade from any foreign port or place to any place within the jurisdiction of the United States, including the territorial waters thereof, or between places within the jurisdiction of the United States, from carrying opium prepared for smoking, and that would make it unlawful to export, or cause to be exported from the United States and from Territories under its control or jurisdiction or from countries in which the United States exercises extraterritorial rights where such exportation from such countries is made by persons owing permanent allegiance to the United States, any opium or cocaine, or any derivatives or preparations of opium or cocaine, to any country which prohibits or regulates their entry, unless the exporter conforms to the regulations of the regulating country.

The Secretary of State further points out a defect in the opium-exclusion act of February 9, 1909, in that smoking opium may be manufactured in the United States from domestically produced opium, and the pressing necessity for remedying that defect by an amendment to the internal-revenue act of October 1, 1890, that would place a prohibitive revenue tax on all such opium manufactured within the jurisdiction of the United States from the domestically produced material; and he further urges the enactment of legislation which will control the importation, manufacture, and distribution in interstate commerce of opium, morphine, cocaine, and other habit-forming drugs.

I concur in the recommendations made by the Secretary of State and commend them to the favorable consideration of the Congress with a view to early legislation on the subject.

WILLIAM H. TAFT.

[NOTE: With this message was transmitted a report by the Secretary of State reviewing the progress of the international crusade against the opium evil (a subject that is covered on page 7850), dwelling on the prominent part the United States has taken by initiating the movement, and urging that before the international delegates meet at the Hague to write the findings of the conference into international law the Federal statutes should be so amended as to put our own house in order. "Since 1860," reads the report, "there has been a 351% increase in the importations and use of all forms of opium, as against a 133% increase in population." Germany has a population of 60,000,000, and consumes 17,000 pounds of opium; Italy, with 33,000,000 people, consumes 6,000 pounds; Austria-Hungary, with 46,000,000 people, consumes 4,000 pounds of the drug. The United States during the last ten years has imported annually over 400,000 pounds, or eight times as much per head as Germany. The American people need for medicinal purposes less than 50,000 pounds of opium; it is estimated that at least 320,000 pounds annually are used for debauchery.

To meet this serious condition the Secretary proposed that the act of 1909, which excludes all but medicinal opium, be amended by (1) a provision forbidding any vessel trading in waters under American jurisdiction to carry the drug; (2) a provision, aimed at the manufacturers of American-grown opium, prohibiting the exportation of the drug from United States jurisdiction to any country which has barred the importation of the drug; and (3) an internal revenue tax on smoking opium so heavy that the domestic business will be exterminated.

The Secretary concluded by stating that even such amendments will fail to wipe out the evil unless Congress will so regulate the domestic manufacture of, and interstate traffic in, opium, as to force the whole process into the light of day. He strongly recommended the passage of a bill which shall require all importers, exporters, producers and manufacturers of opium and other habit-forming drugs to register their names and places of business with the internal revenue collector and to keep such records and render such reports as the Treasury Department shall prescribe; prohibit the conveyance of the drugs through interstate commerce to any person not so registered; and make it a crime to handle drugs not stamped by the internal revenue authorities.]

SPECIAL MESSAGE.

[Recommending approval by Congress of Constitution of New Mexico.]

THE WHITE HOUSE, *February 24, 1911.*

To the Senate and House of Representatives:

The act to enable the people of New Mexico to form a constitution and State government and be admitted into the Union on an equal footing with the original States, etc., passed June 20, 1910, provides that when the constitution, for the adoption of which provision is made in the act, shall have been duly ratified by the people of New Mexico in the manner provided in the statute, a certified copy of the same will be submitted to the President of the United States and to Congress for approval, and that if Congress and the President approve of such constitution, or if the President approve the same and Congress fails to disapprove the same during the next regular session thereof, then that the President shall certify said facts to the governor of New Mexico, who shall proceed to issue his proclamation for the election of State and county officers, etc.

The constitution prepared in accordance with the act of Congress has been duly ratified by the people of New Mexico, and a certified copy of the same has been submitted to me and also to the Congress for approval, in conformity with the provisions of the act. Inasmuch as the enabling act requires affirmative action by the President, I transmit herewith a copy of the constitution, which, I am advised, has also been separately submitted to Congress, according to the provisions of the act, by the authorities of New Mexico, and to which I have given my formal approval.

I recommend the approval of the same by the Congress.

WILLIAM H. TAFT.

SPECIAL MESSAGE.

[Explaining assistance given shipbuilders by State Department in contest for contract to construct Argentine battleships.]

THE WHITE HOUSE, *April 5, 1911.*

To the Senate:

I transmit herewith the answer of the Secretary of State to the resolution passed by the Senate of the United States on February 27, 1911, relating to the construction and armament in this country of two battleships for the Argentine Republic.

WILLIAM H. TAFT.

[NOTE: This Message was accompanied by a report from the Secretary of State explaining that his Department's strenuous efforts to procure equal opportunity for American shipbuilders in the competition for the contract to construct two Argentine battleships was a direct consequence of the appropriation of $100,000 by Congress for the purpose of enabling the Department to render greater assistance to manufacturers in their efforts to obtain international business.

"This was the first time," reads the report, "that American shipbuilders and ordnance manufacturers had ventured into competition with the naval constructors of the world, who were favored . . . by the prestige of long-established international relations and experience. . . . American industry labored under the added disadvantage of isolation," the negotiations taking place at London and Buenos Aires, "while their competitors enjoyed all the powerful aid incident to . . . large colonies and great masses of invested capital" in Argentina. The Secretary regarded the final awarding of the contracts to American shipbuilders as a good augury for the commercial expansion of the future, and no inconsiderable achievement of diplomacy.]

SPECIAL MESSAGE.

[Explaining the Administration's reasons for eliminating from the Chugach National Forest of Alaska 12,800 acres of land fronting on Controller Bay.]

THE WHITE HOUSE, *July 26, 1911.*

To the Senate of the United States:

On June 27th last, your honorable body adopted the following resolution:

Resolved, That the President of the United States be, and he is hereby, requested to transmit to the Senate of the United States copies of all letters, maps, executive or departmental orders or instructions, surveys, also applications to enter land, or for rights of way for railroads or otherwise, and all other official reports, recommendations, documents, or records in the Departments of War, Interior, and Agriculture, or by any of the officials or bureaus of these departments, not included in the report of the Secretary of the Interior of April 26, 1911, printed as Senate Document No. 12, Sixty-second Congress, first session, relating in any way to the elimination from the Chugach National Forest, in Alaska, of land fronting upon Controller Bay, approximating 12,800 acres; especially referring to such papers, documents, etc., as relate to the applications of the Controller Railroad & Navigation Co. for rights of way or confirmation of its maps of rights of way or harbor rights or privileges in or near to the said Controller Bay, or upon the Chugach National Forest, or upon lands eliminated therefrom, or upon the tide lands or shore lands of the said Controller Bay, with such information, if any, as is in the possession of the War Department, relating to the character of Controller Bay as a harbor, its soundings, and a designation of those portions of the harbor which are available for the use of deep-water vessels.

Also, to include in the report hereby requested the names of the soldiers whose claims are to be used as bases for the applications for the land referred to, the mesne and subsequent assignments, and other data relating thereto, with a statement of the present status of all said applications to enter said lands or for rights of way thereon.

I herewith submit copies of all the documents above requested. The records in the Department of Commerce and Labor are not asked for in the resolution, but the Secretary of the Interior has secured from the Secretary of Commerce and Labor certain documents relating to the subject matter on file or of record in the Bureau of Coast and Geodetic Survey, and those are transmitted as part of the documents furnished me by the Secretary of the Interior. I also submit such documents as are on the Executive Office files relating to the Executive order of October 28, last.

I deem it wise and proper to accompany the submission of these documents with a statement in narrative form of the action of the administration with the reasons therefor.

The Executive order of October 28, 1910, referred to in the resolution, was in the terms following:

"THE WHITE HOUSE, *Washington, October 28, 1910.*

"Under authority of the act of Congress of June 4, 1897 (30 Stat., 11, at 34 and 36), and on the recommendation of the Secretary of Agriculture, it is hereby ordered that the proclamation of February 23, 1909, enlarging the Chugach National Forest, be modified to reduce the area of such national forest by eliminating therefrom the following-described tract, containing approximately 12,800 acres of land, which has been found, upon examination, to be not chiefly valuable for national forest purposes:

"Beginning at a point where the meridian of longitude 144 degrees 5′ west crosses the coast line of Controller Bay, thence north along said meridian line to the parallel of latitude at 60 degrees and 10′ north; thence west along said parallel to a point where the same crosses the coast line at or near the mouth of Behring River, and thence along the coast to the place of beginning.

"The tract above described is hereby restored to the public domain.

"*William H. Taft.*"

Controller Bay is upward of twenty miles in total length and five or six miles in width and is land-locked by a number of islands. It was supposed for some time to be so shallow as to make its use for navigation impossible, but in 1907 a channel was discovered, which passed from the ocean to the southeast of the island of Kanaka and curving into the bay extended southeasterly some seven miles. Mr. McCabe, solicitor of the Agricultural Department, states in the memorandum prepared by him for submission to the secretary and to me, that investigation had shown that for a distance of six miles the frontage of Controller Bay was on deep water, to be reached by trestles of ordinary length.

A more exact description of the channel is as follows: For four miles it is about three quarters of a mile wide and for three miles about 2,000 feet wide, gradually approaching nearer to the shore of the mainland. The channel is eleven fathoms where it enters the bay, and continues for more than five miles to have a 30-foot depth, and then gradually shallows until it is from twelve to fifteen feet at mean low water. The mean high tide would increase its depth nine feet. The bottom of the channel is glacial silt and very easily dredgible, so that it would be entirely practicable to widen the channel and deepen it the full length of seven miles. The tract eliminated by the Executive order has a right-angled triangular form, with the shore line or high-water mark as the hypotenuse, between six and seven miles long and roughly about the same length as the channel I have described. The north shore opposite the entrance of the channel to the bay is between two and three miles from low-water mark, and is separated therefrom by tidal mud flats that are covered at high water. The 30-foot contour line is about a mile farther from the shore line.

All the territory surrounding Controller Bay was included in the Chugach Forest Reservation in 1909 by a proclamation of President Roosevelt. The importance of Controller Bay is that it lies about twenty-five miles from very valuable coal deposits, known as the Bering coal fields. Katalla Bay is to the west of Controller Bay and almost immediately adjoins it. It is an open roadstead upon the shore of which an attempt was made by the Morgan-Guggenheim syndicate to establish a railway terminal, and thence to build a road to the Bering coal fields, already mentioned. The attempt failed for the reason that the breakwater protecting the terminals was destroyed by storms and the terminals became impracticable. Some fifty miles or more farther west of Katalla Bay is the mouth of the Copper River, where there is an excellent harbor, on which is the town of Cordova. There the Copper River Railroad, owned by the Morgan-Guggenheim interests, has its terminals, and the line runs to the northeast along the Copper River and has nearly reached certain rich copper mines in the interior.

A branch from this main line is projected to the Bering coal fields and is feasible.

When the channel in the Controller Bay was discovered, Mr. Tittmann, superintendent of the Coast Survey, as shown by his letter in the record, was of opinion that it was of great value and ought to be maintained as a naval reservation because of its proximity to the coal fields. His letter was submitted by the Secretary of Commerce and Labor to the Secretary of the Interior, who invited the comment of the Director of the Geological Survey. That officer replied that the harbor was a poor one, and that it would not be as good for a naval reservation as one already selected, but that he thought that private capital ought to be encouraged to construct a railway from the channel over the mud flats to the shore and thence to the coal fields. Captain Pillsbury of the Army Engineers, in a report in the record made in 1908, mentions three possible objections to Controller Bay: First, that the surrounding islands may prove to be so low as not fully to protect the channel; second, that the flats extend two or three miles from the shore; and, third, that ice formed in the rivers entering the bay and affected by tidal currents may destroy structures put upon the flats and especially a long trestle built over them.

In December, 1909, Mr. Richard S. Ryan, representing the Controller Railway & Navigation Company, applied to Mr. Pinchot, the then Forester, for an elimination from the Chugach Forest Reservation of a tract of land to enable his company to secure railroad terminals, bunkers, railroad shops, etc., on the northeast shore of Controller Bay. This application was referred by the Associate Forester to the District Forester at Portland, Ore., and by him to the Forester in Alaska. The result of these references and the application was that early in 1910 Mr. Graves, who had in the meantime become Forester, reported that there was no objection from the standpoint of forestry interests to the elimination of the tract indicated, or, indeed, of 18,000 acres on the northeast shore of Controller Bay.

The attention of the Navy Department was invited by the Forestry Bureau to the proposal to open the shore of Controller Bay to entry and occupation, and inquiry was made whether the Navy Department desired to use Controller Bay as a reservation and whether it objected to its being opened up. The answer was in the negative.

The matter was considered by the Forestry Bureau, by the Secretary of Agriculture, by the Secretary of the Interior, and by the General Land Office, and the result was a recommendation to me in May, 1910, that an elimination be made of 320 acres with a frontage of 160 rods on the northeast shore of Controller Bay. I entertained some question about the matter and stated my objections at a cabinet meeting. Thereafter, some time in June, I had an interview with Mr. Richard

S. Ryan, the promoter of the Controller Railway & Navigation Company, to whom the Secretary of the Interior had stated my objections, which led to Ryan's sending a communication to the Secretary of the Interior under date of July 13, 1910. This letter was, in the secretary's absence, sent by the department to me at once. I considered the whole case in August, 1910, and directed that the 320 acres, recommended by both departments, be eliminated as recommended. Nothing was done, however, in the matter until I returned to Washington in October, 1910, when a formal order, which had been drawn in the Interior Department and was subsequently specifically approved by the Secretary of Agriculture and returned to the Interior Department, was submitted to me by the Acting Secretary of the Interior, with the approval of that department. The order was as follows:

> Under authority of the act of Congress of June 4, 1897 (30 Stat., 11, at 34 and 36), and on the recommendation of the Secretary of Agriculture, it is hereby ordered that the proclamation of February 23, 1909, enlarging the Chugach National Forest, be modified to reduce the area of such national forest by eliminating therefrom the following described tract, containing approximately 320 acres of land, which has been found, upon examination, to be not chiefly valuable for national forest purposes and which is necessary for terminal purposes and desired by the Controller Railway & Navigation Co. for such purposes:
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> Beginning at a point on Controller Bay which bears south 17° 22′ west, 1,196.7 feet from U. S. Location Monument No. 842; thence north 5,720.5 feet; thence east 2,202.1 feet; thence south 7,044.2 feet to a point on Controller Bay; thence following the meanders of the bay north 52° 30′ west 1,460 feet; thence north 79° 26′ west 800 feet; thence north 42° 34′ west 380 feet, to the point of beginning, containing 320 acres, approximately, the same being in approximate longitude 144° 11′ west from Greenwich, latitude 60° 8′ north.
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> The tract above described is hereby restored to the public domain.

The question finally came before the Cabinet late in October. After a full discussion of the matter, and after a consideration of the law, I expressed dissatisfaction with the order because it purported on its face to make the elimination for the benefit of a railroad company of a tract of land which the company could not secure under the statute, for it was a tract 320 acres in one body when only 160 acres could be thus acquired. In the second place, I preferred to make a much larger elimination of a tract facing the entire channel, and with sufficient room for a terminal railway town. I was willing to do this because I found the restrictions in the law sufficient to prevent the possibility of any monopoly of either the upland or the harbor or channel by the Controller Railway & Navigation Company, or any other persons, or company. For lack of time sufficient to draft a memorandum myself, I requested the Secretary of the Interior, who, with the Secretary of Agriculture, after full discussion, had agreed in my conclusion, to prepare a letter setting forth the reasons for making the larger elimination, so that it might become part of the record. The letter is of even date with the order. It does not set forth the reasons for the larger order as fully as I did in discussing it.

It had been originally suggested by the Forestry Bureau that 18,000 acres might safely be eliminated so far as forestry purposes were concerned, but fear had been expressed by one of the District Foresters that such a large elimination would offer an opportunity to the company to use land scrip and acquire title to extensive town sites, and the result of the joint consideration of both departments had been the reduction to 320 acres.

I wish to be as specific as possible upon this point and to say that I alone am responsible for the enlargement of the proposed elimination from 320 acres to 12,800 acres, and that I proposed the change and stated my reasons therefor, and while both secretaries cordially concurred in it, the suggestion was mine.

The statement of Mr. Ryan, who had been properly vouched to the Forester by two gentlemen whom I know, Mr. Chester Lyman and Mr. Fred Jennings, and who had produced a letter from a reputable financial firm, Probst, Wetzler & Company, was that the railway company which he represented had expended more than $75,000 in making preparations for the construction of a railway from Controller Bay to the coal fields, twenty-five miles away, but that they were obstructed in so doing by the order reserving the Chugach Forest Reservation, which covered all of the Controller Bay shore. He, as well as Probst, Wetzler & Company, gave every assurance that the Copper River Railway Company, owned by Messrs. Morgan and Guggenheim, had no connection with them, and that they were engaged in an independent enterprise in good faith to build an independent railroad. No evidence to the contrary has been brought to my attention since.

Of course it was possible that the owners of the Copper River Railway Company might attempt to buy this railroad when, and if, it was built. It was possible that Mr. Ryan was acting in the interests of the Copper River Railroad, although I did not believe it; but, whether this was true or not, it was clear that the order of elimination by reason of the restrictions of the act of Congress hereafter explained, would not permit the owners of either railroad to shut out any other capitalists who might desire to construct a railroad from the channel of Controller Bay to the coal fields; and if by this order we could secure the construction of a railroad from Controller Bay to the coal fields, it would be a distinct step in the useful development of Alaska. The rates of freight for coal to be charged, of course, would always be subject to congressional control, and if Government ownership seemed a wise policy under the peculiar circumstances, ample land for right of way, harbor frontage, and terminals must always remain available under the law for Government use, or if it is preferred to take over to the Government a railway built by private enterprise, condemnation is easy.

The thing which Alaska needs is development, and where rights and franchises can be properly granted to encourage investment and construction of railroads without conferring exclusive privileges, I believe it to be in accordance with good policy to grant them.

Full authority is given in the Federal statutes for the location of railroads and the acquisition of a right of way over public lands by such location and construction of the road in Alaska (30 Stat. L., 409), and this is permitted even in the forest reservations. (30 Stat. L., 1233.) Pains are taken in the statute to prevent one railroad from excluding another by the appropriation of the only possible pass or cañon or defile through which a road can be built between two points. The difficulty presented by a forest reservation in a case like this is that there is no opportunity to secure town sites or proper terminals for a coal road and shipping point in such a reservation. When, on the recommendation of Forester Pinchot, the Chugach National Forest was created by proclamation of President Roosevelt in July, 1907, there were excepted from the forest the several areas contained within boundaries formed by circles described with a radius of a mile each from the centers of ten small towns or settlements. Among these were Eyak, on Orca Bay, and Valdez, on Valdez Arm. A little later (September 18, 1907), there was eliminated from the reservation approximately 33,000 acres of the water front on Valdez Arm, the tract thus eliminated being a mile wide, abutting on the shore, and following the contour of the arm or bay for a distance of more than thirty miles. At this time, Valdez was deemed important as a future port. Both Orca Bay and Valdez Arm are excellent harbors and have deep water near the shore.

While it does not appear that the creation of railway terminals and harbor facilities was one of the reasons for the exclusion from the national forest of the lands around the town of Eyak, or for the elimination of 33,000 acres at Valdez Arm, it certainly was not regarded as necessary to include or to retain these lands within the national forest for fear they would be entered by a railroad, because on April 24, 1907, Mr. Ballinger, then Commissioner of the General Land Office, had called the attention of Secretary Garfield to the fact that a number of transportation companies were seeking to obtain rights of way through the lands included in the general area proposed to be reserved. Doubtless the rights of the public were thought to be sufficiently safeguarded against monopoly of harbor facilities under the limitations of the statute hereafter mentioned, which were the same then as now. As a matter of fact, the Copper River Railway Company, owned by the Morgan-Guggenheim Syndicate, having applied for terminal and station grounds at what was then called Eyak shortly before the Chugach Forest Reservation was proclaimed, has established its terminals there and thus has been developed in the immediate neighborhood the well-known terminal town of Cordova. Whenever the Bering coal fields are opened this company can readily reach them by a branch line, the construction of which has already been considered and is entirely practicable. Indeed, its promoters have insisted to the Secretary of the Interior that this is the proper method of developing these coal fields, and that they would not be interested in building a direct line to Controller Bay, where it would be necessary for them to duplicate terminal facilities they already have at Cordova on a better harbor, and where coal is not the only commodity seeking transportation. If this position is correct, and it seems to have sound economic reasons behind it, the only effect of preventing railroad construction at Controller Bay would be to leave the field entirely to the Copper River Railroad.

If a railroad was to be constructed from Controller Bay to the Bering coal fields, it was perfectly evident that there must be a terminal town on the shore of Controller Bay, and I was therefore glad and anxious to throw it open to entry and settlement as one important step in encouraging railroad enterprise. I was certain that Congress had provided, in the statutes affecting the entry and settlement of land in Alaska, limitations which would prevent the possibility of the exclusive appropriation of the harbor and channel of Controller Bay or its shores or upland to any one railroad. This, I propose now to show.

The only practicable method for securing title from the Government in such a tract as this after its elimination is by the use of what is called "soldiers' additional homestead right," evidences by scrip. The statutory limitations upon this method of acquiring title are threefold:

1. No more than 160 acres can be entered in any single body by such scrip. (30 Stat. L., 409; 32 Stat. L., 1028.)

2. No location of scrip along any navigable waters can be made within the distance of eighty rods of any lands already located along such waters. No entry can be allowed extending more than 160 rods along the shore of any navigable water, and along such shore a space of at least eighty rods must be reserved from entry between all such claims. (30 Stat. L., 409; 32 Stat. L., 1028.) Moreover, the statute expressly provides that a roadway sixty feet in width, parallel to the shore line as near as may be practicable, shall be reserved for the use of the public as a highway. (30 Stat. L., 413.)

3. Nothing in the act contained is to be construed to authorize en-

tries to be made or title to be acquired to the shore of any navigable waters within said district. (30 Stat. L., 409; 32 Stat. L., 1029.)

Under the first limitation the navigation company and every other person is prevented from locating more than 160 acres in one body. By the construction of the land department, as shown in the record, this requires a separation between any two entries by the same person or in the same interest of a tract of forty acres. This would prevent the possibility of any one person or any one interest acquiring an entire tract like that of 12,800 acres.

The second limitation is important in that it prevents the entry of claims at any point on the shore having a greater frontage than half a mile, and requires that between that and the next claim taken up there shall be a frontage reserved to the public and kept in public control of a quarter of a mile. The consequence is that in the seven miles of the frontage of this eliminated tract there must be reserved for Government control and use, and such disposition as Congress may see fit to make, and free from private appropriation, a frontage aggregating about 2¾ miles, and so distributed along the shore in frontages of eighty rods as to make certain of a public frontage of this width having all the advantage that any private frontage can have. In other words, if a tract with a half-mile frontage is located at a particularly advantageous place with reference to the harbor, then on each side of that frontage must be reserved to the public a frontage of a quarter of a mile, or a half mile in all, for public uses. These public frontages are to be connected by a sixty-foot street reserved parallel to the shore.

These two restrictions necessarily prevent a monopoly of land abutting on the shore, and as they necessarily prevent a monopoly by any one locator, or in the interest of any company for whom locators are acting, they take away the motive for the acquisition of land and frontage merely for the purpose of excluding other companies and possible competitors and tend to confine locators to the acquisition of land to be profitable in its use.

Since the executive order was issued, October 28, 1910, there have been four locations under soldiers' scrip—three of them of 160 rods each along the bay, separated by two divisions of eighty rods, dated November 1, November 10, and November 11, 1910, respectively. I shall assume that all of them are in the interest of the Controller Railway & Navigation Company. None of them has been approved or passed to patent, but I shall assume they can be passed to valid patent. Where the fourth one, dated March 11, 1911, is, does not appear on the map opposite page 2, but it is understood to front 160 rods on the bay shore on the east side of the Campbell River. In addition, upon one of the 80-rod intervals, there is filed what is called a terminal railroad claim of forty acres, covering the entire frontage of eighty rods. This was filed December 14, 1910, after the location of the two scrip entries which it connects. It is plainly invalid because placed on the interval of eighty rods especially reserved by statute for the public. We thus have four frontages of 160 rods now located.

Of the shore frontage unlocated which may be appropriated by scrip, there remain six frontages of 160 rods each on the shore of the tract opened by the Executive order facing the bay and channel, and in addition about 2¾ miles of frontage distributed in eleven 80-rod strips, subject to public use and the disposition of Congress. There is thus ample room for many other railroads to reach high-water mark on Controller Bay, and there to acquire tracts for terminals. Of the 12,800 acres, the entries in area have covered not more than 800 acres, and all the rest is available for scrip location or is reserved for the public under the limitations of the act.

But it is said that the three or four locations are the best ones on the bay with reference to the channel and harbor, and are opposite the deepest part. If this is true, it is equally true of the 80-rod reservations between and on each side of these locations. More than that, the channel extends 2½ miles beyond these locations, and while it narrows some and shallows some, it still has a depth of from fifteen to thirty feet at low water and, if necessary, is easily capable of being dredged to greater depth and greater width because of the character of the bottom.

But there is a third reason why the opening of this tract to settlement and limited private appropriations cannot lead to a monopoly in the Controller Railway & Navigation Company or anyone else. The distance from the dry land—i. e., the shore land—the line of high-water mark—to the line of low-water mark is between two and three miles, and the distance to deeper water is about a mile farther, making it necessary, if a harbor is to be reached and used, to construct a viaduct or trestle three or four miles long from the shore to the channel. This tidal flat is owned by the United States, and the acquisition under the public-land laws of tracts on the shore abutting these tidal flats gives no right or title to those flats. This would be the law if the statute was silent on the subject; but not only the statute of 1898 (30 Stat. L., 409), but also the amending statute of 1903 (32 Stat. L., 1028) expressly imposes the restriction that no title or right can be obtained under the act in the shore of a navigable body of water.

The theory upon which it has been contended that the Controller Bay Railway & Navigation Company has practically acquired an exclusive appropriation of the harbor is that its anticipated ownership of the lands located by it and abutting on the shore will give it the right to build viaducts from these lands to the side of the deep channel, 3½ miles away, and there establish wharves on the channel equal in frontage to that of the locations made on the shore, and that even if it does not itself build such wharves, it can prevent anyone else from enjoying access to the channel for the whole length of its frontage, say two miles. I have shown that even if this were the law, the public reservations and the unlocated frontage would prevent monopoly of the channel. But it is not the law.

The shore runs from high-water mark down to low-water mark. The owners of the upland, by virtue of the title they have acquired from the Government, do not acquire a vested right of access to the deep water and have no right or easement to build viaducts or trestles across the flats or wharves along the deep channel which Congress may not regulate or defeat.

The principle of law is settled by the decision of the Supreme Court of the United States in the case of Shively *vs.* Bowlby (152 U. S., 1). In that case it was decided that "grants by Congress of portions of the public lands within a territory to settlers thereon, though bordering on or bounded by navigable waters, convey of their own force no title or right below high-water mark" and do not impair the right either of the United States or of the future State, when created, to deal with the tidal land between high and low water mark at pleasure. It was there held that in the State of Oregon a person who took title to land acquired under an act of Congress while Oregon was a Territory, abutting on the tidal water of the Columbia River, could not object to a subsequent grant to another by the State of Oregon of the tidal lands upon which the land of the grantee under the act of Congress abutted.

It follows that no matter what the ownership of the upland abutting on the tidal flats, Congress has complete power to regulate the trestles and wharves which shall be built from the shore to the channel and along it, and to determine their character and the distance along the channel they may occupy, and in the absence of congressional action, the abutting lot owners can possibly acquire at best only a revocable license or permit from the War Department to put in such structures as that department will certify do not interfere with navigation.

Is congressional action wanting or has Congress given abutting lot owners any permission or easement of this kind? In only two instances has Congress conferred any such authority.

There is a provision of the act of May 14, 1898 (30 Stat. L., 409), providing a right of way for located railways in Alaska that reads as follows:

> And when such railway shall connect with any navigable stream or tide water, such company shall have power to construct and maintain necessary piers and wharves for connection with water transportation, subject to the supervision of the Secretary of the Treasury.

But this is not a right incident to, or commensurate with, ownership of abutting land, but it is incident only to the location of a right of way of a railway. It secures to the railway only such trestles or viaducts to the wharves along the deep channel as the Secretary of the Treasury may deem necessary.

In the second place, there is a provision in the same act by which the Secretary of the Interior may permit the extension of piers and the construction of wharves from the 80-rod frontages reserved to the public, to the navigable channel, but such piers and wharves must be open to public use for reasonable tolls to be fixed by the secretary (30 Stat. L., 413).

There is no provision or intimation in the statute that abutting landowners as such shall have an easement of this kind. The consequence is that even if the Controller Railway & Navigation Company were to obtain control of the entire frontage on the north shore—which, of course, it cannot do because of the 80-rod reservations—it still could not appropriate the channel or exclude anyone from its occupancy.

The whole contention that the executive order and the opening to settlement of the shore of Controller Bay grants a monopoly to the railway company rests on the claim that it has given an opportunity to persons using scrip to appropriate the control of the only available and practicable parts of the channel by the location of the scrip opposite to those parts. If now the location of the scrip opposite to the harbor gives no right to reach the harbor except as Congress may expressly give it, clearly the Controller Railway & Navigation Company has not the slightest opportunity for exclusive appropriation of the harbor facilities unless Congress shall by future act deliberately and voluntarily confer it.

I should be lacking in candor if I allowed it to be inferred that this third reason for saying that there is not the slightest danger of this order giving a monopoly of the channel to the Controller Railway & Navigation Company was present in my mind when I made the order. I was, of course, satisfied because of the other restrictions mentioned that no monopoly of the channel could follow, but I did not examine the law as to this point at that time. But the law is as I have stated it, and the consequences are inevitable.

The owners of the Controller Railway & Navigation Company realized the difficulty there might be in asserting a right as abutting owners to construct trestles and wharves on the tidal flats to the channel, and without even relying on the express privilege conferred on railway companies to apply to the Secretary of the Treasury for such permission, already quoted, went direct to Congress and secured from Congress an act which gives to the company expressly a right of way 200 feet wide across the tidal flats to the deep water; but this grant of an exclusive easement is carefully drawn and is accompanied and surrounded with every safeguard. Express power to repeal it is reserved to Congress, and the character and extent of the structures on the channels are placed in the control of the War Department upon recommendation of the Chief of Engineers. This easement was granted in an act passed March 4th of this year (36 Stat. at Large, p. 1360), and only after full examination by the Interstate Commerce Committee of the House, after recommendations by the War Department and the Interior Department and a clarifying discussion in the House of Representatives.

In the records of the War Department will be found one permit to construct a trestle from the Controller Bay shore to the channel, which, by extension, is still in force and will remain so until January 1, 1912. This was given to the Controller Bay & Bering Coal Railway Company, a different company from the Controller Railway & Navigation Company. It does not appear upon what authority such permit could be given by the War Department. Under the statute, the Secretary of the Treasury is charged with supervision over such a case, and before a lawful license can be granted his consent must be obtained (30 Stat. L., 409).

It follows from what has been said that the question of how the channel of Controller Bay shall be used is wholly in the control of Congress and nothing that has been done by the executive order or otherwise imperils that control. With the opportunity that any projected railway has to secure access to the harbor by locating its right of way to the line of the shore under supervision of the Secretary of the Treasury, or by application to Congress, the mere private ownership of land abutting on the shore is relatively unimportant. If a railway company thus secures access by trestle and wharf to the deep-water channel, it may conveniently establish its terminal yards, stations, warehouses, and elevators wherever in the eliminated tract it can secure title, and extended frontage on the tidal flats is of no particular advantage. As 12,000 acres in the tract eliminated still remain open to entry, the prospect of a monopoly in one railroad company is most remote. I submit to all fair-minded men who may have been disturbed over the charges made in respect to the executive order of October 28, 1910, that it has been demonstrated by the foregoing that no public interest has suffered from its issue; that great good may come from it; and that no dishonest or improper motive is needed to explain it. I might, therefore, stop here; but rather for the purpose of the moral to be drawn from them than to vindicate the order, I propose to consider the attacks upon the order that misinformation, hysteria, or rancor has prompted.

The order has been criticized because it was not in form a proclamation instead of an order. This was determined by Mr. Graves, the Forester, who, in letter of March 24, 1910, speaking of the proposed elimination, says to his assistant: "Action in this instance will be taken by executive order rather than by proclamation accompanied by diagram," and he gives the reasons in a note dated July 6, 1911:

> When a comparatively small area is to be eliminated from a national forest the executive order is very commonly used instead of the proclamation, especially when other changes in boundaries may be made in a short time. The preparation of the diagrams which accompany a proclamation is necessarily expensive and laborious, and the issuance of repeated proclamations with their diagrams is avoided when an executive order will serve the purpose. In the present case reports were pending, recommending other changes in boundaries of the Chugach Forest, and since the proposed eliminations would be described without the use of a diagram, the executive order form of elimination was chosen.

The fact is that in law there is in effect no difference between a proclamation and an executive order. (Wood *vs.* Beach, 156 U. S., 548–550.) In practice the same publicity is given to each. Both are sent to the State Department for record. The custom of the State Department is to advertise neither a proclamation nor an executive order. Each is merely handed to the representatives of the press after being executed, and is sent to the large mailing list of the State Department. That course was here pursued in respect to the executive order of October 28, 1910. In accordance with custom, copies were sent to the Interior Department and the Agricultural Department, because they were especially concerned.

The charge has been made that this was a secret order, and that though it was made in October, 1910, no one knew of it until April, 1911. This is utterly unfounded. The statement of Mr. Vernon, the correspondent of the *Post-Intelligencer,* of Seattle, a newspaper of wide circulation among a people most interested in Alaska, shows that ten days before the order was made, news of the details of Ryan's application and the probability of its being granted was given wide publicity. It further appears from the records of the Interior Department that the evening the order was signed, October 28, 1910, a full notice of the issue of the order and its details was furnished by the department to all correspondents in the form of a news bulletin. Finally, the agent of the Associated Press certifies that at 7.23 P.M., October 28, 1910, there was sent out by that association to all its newspaper clients a telegram taken from a typewritten statement issued by the Interior Department, as follows:

> WASHINGTON, *October 28.*—Approximately 12,800 acres of land in the Chugach National Forest, Alaska, have been restored by the President for disposition under appropriate land laws, according to information made public to-day by

the Interior Department. These lands are situated on the coast line of Controller Bay in Southern Alaska near the Cunningham claims, and have been found upon examination to be of little value for forestry purposes.

It would be difficult to prepare an advertisement more informing to the public or more likely to attract the attention of all likely to desire acquisition of land on Controller Bay. On the 29th, the Chief Forester sent a telegram making a similar announcement to his district forester at Portland, Ore.

The order has been attacked on the ground that it did not contain a provision delaying its taking effect for thirty days after its local publication as orders restoring land to settlement by homesteaders frequently do. An examination of the record furnishes an explanation of this feature of the order as made. When in October the two departments had agreed, with my acquiescence, that the order should be an elimination of only 320 acres, an order describing the 320 acres directing its restoration to settlement and containing the usual provision postponing its taking effect thirty days was prepared in the Forestry Bureau and forwarded to the Interior Department. There it was deemed wiser to spread on the face of the order a specific declaration that it was made to afford terminals for the Controller Railway & Navigation Company, and as no one else was expected to intervene and take up any part of the eliminated tract, the restoration was made immediate.

The form thus amended was submitted to the Secretary of Agriculture, who expressed his preference for the immediate restoration order through his solicitor's memorandum on the face of the order, as follows:

Mr. Clements,

[*Assistant Attorney in the Interior Department:*]

We think this O. K. The Secretary says it is the direct way, and appeals to him.

Geo. P. McCabe.

The idea of the Secretary doubtless was that the short form of order was preferable because on its face it was directly indicative of the purpose to secure an opportunity to the railway company by proper entry to settle on the land eliminated, and as no one else was expected to intervene no postponement was needed. Accordingly when the case came for decision in the Cabinet, the order was without any postponement clause. This was the form sent me for my signature by the Acting Secretary of the Interior Department.

When I directed the striking out of the reference to the railway company and the enlargement of the area from 320 acres to 12,800 acres, the form of the order in its provision for immediate restoration was not changed. I have no doubt that this was the reason why the order issued took the form it did. Had the postponement clause been suggested, I would, doubtless, have directed it to be embodied in the order. But the event has proven that it was really not important in this case, for in now nearly nine months only the Controller Railway & Navigation Company has made any scrip entries on the eliminated tract and this, although 12,000 acres and about two and one half miles of water front still remain open to entry, and there are several different railway companies in addition to the Controller Railway & Navigation Company that had filed locations for rights of way in the vicinity in the last two years who have had in the last nine months the fullest notice of their opportunity if they wished to enter on this land.

Before closing, I desire to allude to a circumstance which the terms of this resolution make apt and relevant. It is a widely published statement attributed to a newspaper correspondent that in an examination of the files of the Interior Department a few weeks ago a postscript was found attached to a letter of July 13, 1910, addressed by Mr. Richard S. Ryan to Secretary Ballinger—and in the present record—urging the elimination of land enough for terminals for the Controller Railway & Navigation Company. The postscript was said to read as follows:

DEAR DICK:

I went to see the President the other day. He asked me who it was I represented. I told him, according to our agreement, that I represented myself. But this didn't seem to satisfy him. So I sent for Charlie Taft and asked him to tell his brother, the President, who it was I really represented. The President made no further objection to my claim.

Yours,

DICK.

The postscript is not now on the files of the department. If it were, it would be my duty to transmit it under this resolution. Who is really responsible for its wicked fabrication if it ever existed, or for the viciously false statement made as to its authenticity, is immaterial for the purposes of this communication. The purport of the alleged postscript is, and the intention of the fabricator was, to make Mr. Richard S. Ryan testify through its words to the public that although I was at first opposed in the public interest to granting the elimination which he requested, nevertheless through the undue influence of my brother, Mr. Charles P. Taft, and the disclosure of the real persons in interest, I was induced improperly and for the promotion of their private gain, to make the order.

The statement in so far as my brother is concerned—and that is the chief feature of the postscript—is utterly unfounded. He never wrote to me or spoke to me in reference to Richard S. Ryan or on the subject of Controller Bay or the granting of any privileges or the making of any orders in respect to Alaska. He has no interest in Alaska, never had, and knows nothing of the circumstances connected with this transaction. He does not remember that he ever met Richard S. Ryan. He never heard of the Controller Railway & Navigation Company until my cablegram of inquiry reached him, which, with his answer, is in the record.

Mr. Ballinger says in a telegram in answer to my inquiry, both of which are in the record, that he never received such a postscript and that he was in Seattle on the date of July 13th, when it was said to have been written.

Mr. Richard S. Ryan, in a letter which he has sent me without solicitation, and which is in the record, says that he never met my brother, Mr. Charles P. Taft, and that so far as he knows, Mr. Charles P. Taft never had the slightest interest in Controller Bay, in the Controller Railway & Navigation Company, or in any Alaskan company, that he utterly denies writing or signing the alleged postscript. The utter improbability of his writing such a postscript to Mr. Ballinger at Washington, when the latter was away for his vacation for two months, must impress everyone.

The fact is that Mr. Ballinger never saw the letter of July 13, 1910, to which this postscript is said to have been attached. It was sent to me by Mr. Carr, Secretary Ballinger's private secretary, at Beverly, on July 14th—the next day. I read the letter at Beverly in August with other papers and sent them to the White House. It was placed upon the White House files and remained there until April 22, 1911, when it was, by request of Secretary Fisher, for use in connection with his answer to a Senate inquiry, returned to the Interior Department, and it was after this that the correspondent is said to have seen the letter with the postscript attached. Mr. Carr saw no such postscript when he sent the letter to me. I did not see it when I read it. No one saw it in the Executive Office, but it remained to appear as a postscript when it is said that the correspondent saw the letter in April or May on the files of the Interior Department. All others were denied the sight.

The person upon whose statement the existence of what has been properly characterized as an amazing postscript is based, is a writer for newspapers and magazines, who was given permission by Secretary Fisher, after consultation with me, to examine all the files in respect to the Controller Bay matter—and this under the supervision of Mr. Brown, then private secretary to the Secretary of the Interior. After the examination, at which it is alleged this postscript was received from the hand of Mr. Brown, the correspondent prepared an elaborate article on the subject of this order and Controller Bay, which was submitted to Mr. Fisher, and which was discussed with Mr. Fisher at length, but never in the conversation between them or in the article submitted did the correspondent mention the existence of the postscript. Mr. Brown states that there was no such postscript in the papers when he showed them to the correspondent and that he never saw such a postscript. Similar evidence is given by Mr. Carr and other custodians of the records in the Interior Department.

Stronger evidence of the falsity and maliciously slanderous character of the alleged postscript could not be had. Its only significance is the light it throws on the bitterness and venom of some of those who take active part in every discussion of Alaskan issues. The intensity of their desire to besmirch all who invest in that district, and all who are officially connected with its administration, operates upon the minds of weak human instruments and prompts the fabrication of such false testimony as this postscript. I dislike to dwell upon this feature of the case, but it is so full of a lesson that ought to be taken to heart of every patriotic citizen that I cannot pass it over in silence.

When I made this order, I was aware that the condition of public opinion in reference to investments in Alaska, fanned by charges of fraud—some well founded and others of an hysterical and unjust or false character—would lead to an attack upon it and to the questioning of my motives in signing it. I remarked this when I made the order, and I was not mistaken. But a public officer, when he conceives it his duty to take affirmative action in the public interest, has no more right to allow fear of unjust criticism and attack to hinder him from taking that action than he would to allow personal and dishonest motives to affect him. It is easy in cases like this to take the course which timidity prompts, and to do nothing, but such a course does not inure to the public weal.

I am in full sympathy with the concern of reasonable and patriotic men that the valuable resources of Alaska should not be turned over to be exploited for the profit of greedy, absorbing, and monopolistic corporations or syndicates. Whatever the attempts which have been made, no one, as a matter of fact, has secured in Alaska any undue privilege or franchise not completely under the control of Congress. I am in full agreement with the view that every care, both in administration and in legislation, must be observed to prevent the corrupt or unfair acquisition of undue privilege, franchise, or right from the Government in that district. But everyone must know that the resources of Alaska can never become available either to the people of Alaska or to the public of the United States unless reasonable opportunity is granted to those who would invest their money to secure a return proportionate to the risk run in the investment and reasonable under all the circumstances.

On the other hand, the acrimony of spirit and the intense malice that have been engendered in respect of the administration of the government in Alaska and in the consideration of measures proposed for her relief and the wanton recklessness and eagerness with which attempts have been made to besmirch the characters of high officials having to do with the Alaskan government, and even of persons not in public life, present a condition that calls for condemnation and requires that the public be warned of the demoralization that has been produced by the hysterical suspicions of good people and the unscrupulous and corrupt misrepresentations of the wicked. The helpless state to which the credulity of some and the malevolent scandal-mongering of others have brought the people of Alaska in their struggle for its development ought to give the public pause, for until a juster and fairer view be taken, investment in Alaska, which is necessary to its development, will be impossible, and honest administrators and legislators will be embarrassed in the advocacy and putting into operation of those policies in regard to the Territory which are necessary to its progress and prosperity.

WILLIAM H. TAFT.

SPECIAL MESSAGES.

[Transmitting authenticated copies of the treaties between the United States and Great Britain and France, negotiated August 3, 1911.]

THE WHITE HOUSE, *August 4, 1911.*

To the Senate:

With a view to receiving the advice and consent of the Senate to the ratification of the treaty, I transmit herewith an authenticated copy of a treaty signed by the plenipotentiaries of the United States and Great Britain on August 3, 1911, extending the scope and obligation of the policy of arbitration adopted in the present arbitration treaty of April 4, 1908, between the two countries, so as to exclude certain exceptions contained in that treaty and to provide means for the peaceful solution of all questions of difference which it shall be found impossible in future to settle by diplomacy.

WILLIAM H. TAFT.

THE WHITE HOUSE, *August 4, 1911.*

To the Senate:

With a view to receiving the advice and consent of the Senate to the ratification of the treaty, I transmit herewith an authenticated copy of a treaty signed by the plenipotentiaries of the United States and France on August 3, 1911, extending the scope and obligation of the policy of arbitration adopted in the present arbitration treaty of February 10, 1908, between the two countries, so as to exclude certain exceptions contained in that treaty and to provide means for the peaceful solution of all questions of difference which it shall be found impossible in future to settle by diplomacy.

WILLIAM H. TAFT.

[NOTE: The treaties with Great Britain and France, which were transmitted with the two messages of August 4, 1911, differed from previous pacts having for their purpose the arbitration of international controversies by frankly including in the differences susceptible of adjudication even questions involving national honor, theretofore the most elastic pretexts of war. An idea of the character of the treaties (which were the same in each case) may best be obtained by following the steps provided for therein in a supposititious case of an act contrary to the Monroe Doctrine on the part of Great Britain. Even though such an injury to our national pride aroused a fervor throughout the country as passionate as the popular sentiment that forced the government to declare war in 1898, and even though public opinion and the administration were united in the belief that the question was not properly subject to arbitration, yet would we be bound by the treaty to request Great Britain, through diplomatic channels, to appoint three members to constitute with three American members the Joint High Commission of Inquiry provided for by the treaty. Either party might, according to the treaty, postpone-convening the Commission until one year from the date of our request, thus affording opportunity for warlike preparations, for diplomatic negotiations, or for moderate counsels, as the case might be; but if neither party desired such postponement the Commission would convene immediately. The six Joint High Commissioners would hear the two sides of the controversy, subpœna and administer oaths to witnesses, and make a report which should elucidate the facts, define the issues, and contain such recommendations as it may deem appropriate. This report would not be considered as a decision on the facts or the law, and, if five or all of the six Commissioners considered the matter properly subject to adjudication, the controversy would, under the treaty, go to some arbitral tribunal like that at The Hague for settlement, no matter whether or not the people of both countries were unanimous in demanding war.]

VETO MESSAGE.

[Returning without approval an act revising the schedule of duties on wool and wool manufactures contained in the tariff law of 1909.]

THE WHITE HOUSE, *August 17, 1911.*

To the House of Representatives:

I return without my approval House bill No. 11,019 with a statement of my reasons for so doing.

SIGNING THE BRITISH-AMERICAN ARBITRATION TREATIES, 1911

SIGNING THE BRITISH-AMERICAN ARBITRATION TREATIES

August, 1911

The peace pact between Great Britain and the United States, the signing of which is here illustrated, provides that all questions and disputes, even those affecting the national honor, shall be submitted to arbitration.

The negotiations came about as a result of Mr. Taft's declaration that the United States would consider the making of such a pact with any nation that so desired, in the interest of world-peace. A report of his speech was flashed across the cables to England, and the next day in Parliament the British Foreign Minister made it the subject of an address in which he indicated his Government's willingness to open negotiations. The Treaty, being so novel in purpose, was difficult to draw, and some months elapsed before the diplomats laid the finished product on the table in the President's study, where Ambassador Bryce and Secretary of State Knox, in the presence of the President, simultaneously signed the document for their respective Governments.

A fuller account of this negotiation, which is universally regarded as the longest step ever made in the direction of world-peace, is given in the article entitled "Great Britain, Treaties with."

The bill is an amendment of the existing tariff law, and readjusts the customs duties in what is known as Schedule K, embracing wool and the manufactures of wool.

I was elected to the Presidency as the candidate of a party which in its platform declared its aim and purpose to be to maintain a protective tariff by "the imposition of such duties as will equal the difference between the cost of production at home and abroad, together with a reasonable profit to American industries." I have always regarded this language as fixing the proper measure of protection at the ascertained difference between the cost of production at home and that abroad, and have construed the reference to the profit of American industries as intended, not to add a new element to the measure stated or to exclude from the cost of production abroad the element of a manufacturer's or producer's profit, but only to emphasize the importance of including in the American cost a manufacturer's or producer's profit reasonable according to the American standard.

In accordance with a promise made in the same platform I called an extra session of the Sixty-first Congress, at which a general revision of the tariff was made and adopted in the Payne bill. It was contended by those who opposed the Payne bill that the existing rates of the Dingley bill were excessive and that the rates adopted in the revising statute were not sufficiently reduced to conform to the promised measure.

The great difficulty, however, in discussing the new rates adopted was that there were no means available by which impartial persons could determine what, in fact, was the difference in cost of production between the products of this country and the same products abroad. The American public became deeply impressed with the conviction that, in order to secure a proper revision of the tariff in the future, exact information as to the effect of the new rates must be had, and that the evil of logrolling or a compromise between advocates of different protected industries in fixing duties could be avoided, and the interest of the consuming public could be properly guarded, only by revising the tariff one schedule at a time.

To help these reforms for the future, I took advantage of a clause in the Payne tariff bill enabling me to create a tariff board of three members and directed them to make a glossary and encyclopædia of the terms used in the tariff and to secure information as to the comparative cost of production of dutiable articles under the tariff at home and abroad. In my message to Congress of December 7, 1909, I asked a continuing annual appropriation for the support of the board and said:

> I believe that the work of this board will be of prime utility and importance whenever Congress shall deem it wise again to readjust the customs duties. If

the facts secured by the Tariff Board are of such a character as to show generally that the rates of duties imposed by the present tariff law are excessive under the principles of protection as described in the platform of the successful party at the late election, I shall not hesitate to invite the attention of Congress to this fact and to the necessity for action predicated thereon. Nothing, however, halts business and interferes with the course of prosperity so much as the threatened revision of the tariff, and until the facts are at hand, after careful and deliberate investigation, upon which such revision can properly be undertaken, it seems to me unwise to attempt it. The amount of misinformation that creeps into arguments pro and con in respect to tariff rates is such as to require the kind of investigation that I have directed the Tariff Board to make, an investigation undertaken by it wholly without respect to the effect which the facts may have in calling for a readjustment of the rates of duty.

A popular demand arose for the formal creation by law of a permanent nonpartisan tariff commission. Commercial bodies all over the country united in a movement to secure adequate legislation for this purpose and an association with a nation-wide constituency was organized to promote the cause. The public opinion in favor of such a commission was evidenced by resolutions adopted in 1909 and 1910 by Republican State conventions in at least twenty-eight States.

In addition, efforts were made to secure a change in the rules of procedure in the House and Senate with a view to preventing the consideration of tariff changes except schedule by schedule.

The business of the country rests on a protective-tariff basis. The public keenly realized that a disturbance of business by a change in the tariff and a threat of injury to the industries of the country ought to be avoided, and that nothing could help so much to minimize the fear of destructive changes as the known existence of a reliable source of information for legislative action. The deep interest in the matter of an impartial ascertainment of facts before any new revision, was evidenced by an effort to pass a tariff-commission bill in the short session of the Sixty-first Congress, in which many of both parties united. Such a bill passed both Houses. It provided a commission of five members, to be appointed by the President, not more than three of whom were to belong to the same party, and gave them the power and made it their duty to investigate the operation of the tariff, the comparative cost of production at home and abroad, and like matters of importance in fixing the terms of a revenue measure, and required them to report to the Executive and to Congress when directed. Several, not vital, amendments were made in the Senate, which necessitated a return of the bill to the House, where, because of the limited duration of the session, a comparatively small minority were able to prevent its becoming a law.

On the failure of this bill, I took such steps as I could to make the Tariff Board I had already appointed a satisfactory substitute for the proposed tariff commission. An appropriation of $225,000, to continue the work until June 30, 1912, had been granted by Congress in the alternative, to be applied to the board I had appointed, unless a tariff commission bill was passed. In this appropriation bill the non-partisan tariff commission, if created and appointed, was directed to make a report on Schedule K by December 1, 1911. Accordingly I added two members to the Tariff Board from the opposition party, and directed the board to make report on Schedule K by December 1st next. The board differs in no way from the tariff commission as it would have been, except in its power to summon witnesses; and I am advised by the members of the board that, without this power, they have had no difficulty in securing the information they desire.

The board took some months to investigate the methods pursued in other countries in procuring information on tariff subjects and to organize its force. In October, 1910, its work of investigation began with a force of forty that has now increased to eighty. In addition to the "glossary," which is near completion, and other work connected with furnishing information in connection with the enforcement of the maximum and minimum clause of the Payne Tariff Act, and in respect to the Canadian reciprocity measure, its attention has been especially directed to comparative cost under Schedule K (wool and woolens), under Schedule M (paper and pulp), and under Schedule I (cotton manufactures). The report on Schedule M (pulp and paper) has already been sent to Congress. Full reports on wool and cotton will be submitted to Congress in December. I have also directed an investigation into the metal and leather schedules, the results of which it is hoped can be submitted to Congress at its first regular session in time to permit their consideration and legislative action, if necessary.

The organization known as the Tariff Commission Association, made up of representatives of substantially all the commercial bodies of the country, for the purpose of securing the establishment of a permanent tariff commission, applied to me for an opportunity to investigate the methods pursued by the Tariff Board. This I was glad to grant, and a very full report of the competent committee of that association concluded as follows:

> In conclusion, our committee finds that the Tariff Board is composed of able, impartial, and earnest men, who are devoting their energies unreservedly to the work before them; that the staff has been carefully selected for the work in view, is efficiently organized and directed, and includes a number of exceptionally competent technical experts; * * * that the work of the board, vast and intricate in detail, is already highly organized, well systematized, and running smoothly; and that Congress and the people can now await the completion of that work with entire confidence, that it is progressing as rapidly as consistent with proper thoroughness, and that it will amply justify all of the

time and expense which it entails. We believe that the value of the work when completed will be so great and so evident as to leave remaining no single doubt as to the expediency of maintaining it as a permanent function of the Government for the benefit of the people.

I have thus reviewed the history of the movement for the establishment of a tariff commission or board in order to show that the real advance and reform in tariff making are to be found in the acquiring of accurate and impartial information as to the effect of the proposed tariff changes under each schedule before they are adopted, and further to show that if delay in the passage of a bill to amend Schedule K can be had until December, Congress will then be in possession of a full and satisfactory report upon the whole schedule.

This brings me to the consideration of the terms of the bill presented for my approval. Schedule K is the most complicated schedule in the tariff. It classifies raw wool with different rates for different classes; it affords the manufacturer what is called a compensatory duty to make up for the increased price of the raw material he has to use due to the rate on raw wool, and for the shrinkage that takes place in scouring the wool for manufacture; and it gives him, in addition, an ad valorem duty to protect him against foreign competition with cheap labor. The usages which prevail in scouring the wool, in making the yarn, and in the manufacture of cloth present a complication of technical detail that prevents anyone, not especially informed concerning wool growing and manufacture, from understanding the schedule and the effect of changes in the various rates and percentages.

If there ever was a schedule that needed consideration and investigation and elaborate explanation by experts before its amendment, it is Schedule K. There is a widespread belief that many rates in the present schedule are too high and are in excess of any needed protection for the wool grower or manufacturer. I share this belief and have so stated in several public addresses. But I have no sufficient data upon which I can judge how Schedule K ought to be amended or how its rates ought to be reduced, in order that the new bill shall furnish the proper measure of protection and no more. Nor have I sources of information which satisfy me that the bill presented to me for signature will accomplish this result. The parliamentary history of the bill is not reassuring upon this point. It was introduced and passed in the House as providing a tariff for revenue only and with the avowed purpose of departing from a protective-tariff policy. The rate of duty on raw wools of all classes was changed from a specific duty of eleven cents a pound to 20 per cent ad valorem. On the average for the importations for the last two years this is a reduction from 47.24 per cent to 20 per cent. Rates on cloths were reduced in the bill from the present average duty of 97.27 per cent to 40 per cent, and on wearing apparel from 81.31 per cent to 45 per cent. The bill was defeated in the Senate, and so was a substitute introduced as a protection measure. The proposed substitute fixed the duty on raw wool, first class, at 40 per cent, and on a second class of carpet wools at 10 per cent, and on cloths at 60 per cent, and on wearing apparel at the same rate. On reconsideration, a compromise measure was passed by the Senate, which was a compromise between the House bill and the Senate substitute bill, and in which the rate on first-class wool was fixed at 35 per cent, on carpet wools 10 per cent, and on cloth and wearing apparel 55 per cent. In conference between the two Houses the rate on all classes of raw wool was fixed at 29 per cent, this being an increase on carpet wools of 9 per cent as fixed in the House bill and of 19 per cent as fixed in the Senate bill. The conference rate on cloths and wearing apparel was fixed at 49 per cent. No evidence as to the cost of production here or abroad was published, and the compromise amendment in the Senate was adopted without reference to or consideration by a committee.

I do not mention these facts to criticize the method of preparation of the bill; but I must needs refer to them to show that the congressional proceedings make available for me no accurate or scientifically acquired information which enables me to determine that the bill supplies the measure of protection promised in the platform on which I was elected.

Without any investigation of which the details are available, an avowed tariff-for-revenue and antiprotection bill is by compromise blended with a professed protection bill. Rates between those of the two bills are adopted and passed, except that, in some important instances, rates are fixed in the compromise at a figure higher, and in others at a figure lower, than were originally fixed in either House. The principle followed in adjusting the amendments of existing law is, therefore, not clear, and the effect of the bill is most uncertain.

The Wilson Tariff Act of 1894, while giving the manufacturer free wool, provided as high duties on leading manufactures of wool as does the present bill, which at the same time taxes the manufacturer's raw material at twenty-nine per cent. Thus the protection afforded to manufacturers under the Wilson bill was very considerably higher than under the present bill.

During the years in which the Wilson bill was in force the woolen manufacturers suffered. Many mills were compelled to shut down. These were abnormal years, and it is not necessary to attribute the hard times solely to the tariff act of 1894. But it was at least an addition to other factors operating to injure the woolen business. It is the only experience we have had for a generation of a radical revision of this schedule, and, without exaggerating its importance, one pledged to a moderate protection policy may well hesitate before giving approval without full information to legislation which makes a more radical reduction in the protection actually afforded to manufacturers of wool than did the Wilson Act. Nor does this hesitation arise only for fear of injury to manufacturers. Unless manufacturers are able to continue their business and buy wool from domestic woolgrowers the latter will have no benefit from the tariff that is supposed to protect them, because they will have to sell in competition with foreign wools or send their sheep to the shambles. Hence the woolgrower is as much interested in the protection of the manufacturer as he is in his own.

It may well be that conditions of manufacture in this country have changed so as to require much less protection now for the manufacturers than at the time of the Wilson bill; but in view of the possible wide suffering involved by hasty action based on insufficient knowledge, the wise course, in my judgment, is to postpone any change for a few months needed to complete the pending inquiry.

When I have the accurate information which justifies such action, I shall recommend to Congress as great a reduction in Schedule K as the measure of protection, already stated, will permit. The failure of the present bill should not be regarded, therefore, as taking away the only chance for reduction by this Congress.

More than a million of our countrymen are engaged in the production of wool and the manufacture of woolens; more than a billion of the country's capital is invested in the industry. Large communities are almost wholly dependent upon the prosperity of the wool grower and the woolen manufacturer. Moderately estimated, 5,000,000 of the American people will be injuriously affected by any ill-advised impairment of the wool and woolen industries. Certainly we should proceed prudently in dealing with them upon the basis of ascertained facts rather than hastily and without knowledge to make a reduction of the tariff to satisfy a popular desire, which I fully recognize, for reduction of duties believed to be excessive. I have no doubt that if I were to sign this bill, I would receive the approval of very many persons who favor a reduction of duties in order to reduce the cost of living whatever the effect on our protected industries, and who fail to realize the disaster to business generally and to the people at large which may come from a radical disturbance of that part of business dependent for its life on the continuance of a protective tariff. If I fail to guard as far as I can the industries of the country to the extent of giving them the benefit of a living measure of protection, and business disaster ensues, I shall not be discharging my duty. If I fail to recommend the reduction of excessive duties to this extent, I shall fail in my duty to the consuming public.

There is no public exigency requiring the revision of Schedule K in August without adequate information, rather than in December next with such information. December was the time fixed by both parties in the last Congress for the submission of adequate information upon Schedule K with a view to its amendment. Certainly the public weal is better preserved by delaying ninety days in order to do justice, and make such a reduction as shall be proper, than now blindly to enact a law which may seriously injure the industries involved and the business of the country in general.

WILLIAM H. TAFT.

VETO MESSAGE.

[Returning without approval an act removing all duties on articles in the metal, cotton, wool and leather schedules of the tariff law of 1909.]

THE WHITE HOUSE, *August 18, 1911.*

To the House of Representatives:

I return, without my approval, House bill 4413, entitled—

> "An Act to place on the free list agricultural implements, cotton bagging, cotton ties, leather, boots and shoes, fence wire, meats, cereals, flour, bread, timber, lumber, sewing machines, salt, and other articles."

This free list covers articles in the metal schedule, the cotton schedule, the wool schedule, and the leather schedule. In a special message returning, without my approval, the wool bill, I have set forth at length the reasons why I think all general amendments to the existing tariff laws should be postponed until accurate and scientific information can be submitted to Congress by a Tariff Board appointed for the purpose of investigating the question of the difference in cost of production of dutiable articles at home and abroad. The same reasons which impelled me to decline to sign the wool bill control me in this case. There are other reasons apparent on the face of the bill, taken in connection with the existing law, which make it unwise to allow this bill to pass.

The bill is so carelessly drawn that it would inevitably lead to the greatest uncertainty as to what articles are or are not covered by its various provisions. This would impose a heavy burden on the administrative branch of the Government, create disastrous uncertainty in commercial circles, and lead to a burdensome amount of litigation. The bill, while apparently very simple and affecting only a few articles, is in reality so loose in its phraseology that it would affect hundreds of items in the existing tariff act. Conceding the wisdom of its general policy, the paragraphs of the bill ought to be rewritten in definite and specific terms.

Take the expression in the first clause, following the specific mention of agricultural implements, "all other agricultural implements of any kind and description, whether specifically mentioned herein or not, whether in whole or in parts, including repair parts." This language is so sweeping that it might be made to cover almost 150 articles used in agriculture, which would affect many sections of the present tariff, and lead to the most injurious uncertainty. Furthermore, it would make it possible to import free many materials now paying a duty, when roughly fashioned into the form of parts of farm implements but actually intended for entirely different uses.

Again, take the general expression in the second clause, the bagging clause, "other material suitable for bagging or sacking agricultural products." It is a serious question whether this section might not be interpreted to make radical changes in many sections of Schedules I (cotton), J (jute and hemp), and K (wool), and it would undoubtedly be open to the same objection of allowing free entry to a large amount of textile manufactures, technically suitable for sacking agricultural products, but intended for entirely different purposes.

Another clause that calls for comment is in the leather paragraph, which reads as follows: "Leather cut into shoe uppers or vamps or other forms suitable for conversion into manufactured articles." The history of this clause is informing as to the method of drafting the bill. The phraseology is found in a proviso at the end of paragraph 451 of the existing tariff. The whole paragraph imposes various duties on different kinds of leather, including many more varieties than are made free by this bill, and the language of the proviso is used in the existing law to impose an additional ad valorem duty on all such leather when cut into forms for further manufacture. The draftsman of the bill now before me took this language, struck out the 10 per cent ad valorem, and left the preceding descriptions of leather out of which the forms were to be cut, dutiable as under the present law. The result is that calfskins tanned, kangaroo, sheep and goat skins, dressed and finished, bookbinders' calfskins, chamois skins, patent and enameled leather, pianoforte leather, and other varieties of leather, when uncut, would pay, under the proposed bill if it became a law, duties ranging from the equivalent of 40 per cent ad valorem down; while the cut forms of such leather would come in free. This imposes a penalty on the domestic labor of cutting and would transfer half the process in the industry of shoemaking and glove making to foreign countries. The result is so unreasonable as to suggest great haste in preparation.

Another clause equally full of difficulty is that admitting free, "Barbed fence wire, wire rods, wire strands, or wire rope, wire woven or manufactured for wire fencing, and other kinds of wire suitable for fencing, including wire staples." This section seems to be drawn with the idea of giving free wire for fencing purposes, but is so loosely worded that it might be taken to include also the highest grades of wire rods and wire rope. This is especially true, because wire rope is never used for fencing, and the words "wire rods, wire strands, or wire rope" are separated by commas from the rest of the section, and it is difficult, with the collocation of terms here used, and in face of the fact that wire rope is not used for fencing at all, to limit "wire rods, strands and rope" here made free to something suitable for fencing.

The truth is that the language of the act is so ambiguous and possibly all-embracing that it is impracticable for the Treasury Department to give an exact estimate as to the diminution in revenue which will follow its passage. The estimates vary all the way from $10,000,000 to $14,000,000, according to the varieties of construction put upon the act and this, although when the bill was first under consideration it was publicly stated by its advocates that the reduction in revenue would not exceed $1,500,000.

The difficulty with the bill is that in the sections above referred to it purports to secure a free list for the benefit of a certain class of users; but to classify articles by their use or their suitability for a certain use is so contrary to the methods of classification in the existing tariff law that its adoption would create the utmost confusion. The danger is not so much that the class of users in whose favor the classification purports to be made will receive more benefit than the framers of the law may have intended, but it is that many who do not belong to the class intended to be favored will import articles suitable for the prescribed use under the general terms of the statute, but will use them for other and general purposes. The effect will be to break down altogether the classification upon which the arrangement in many of the present tariff schedules is based. If there were no other reason for withholding my approval from this bill, this one would be all-sufficient.

But there is another, and a very important, reason why the bill ought not to become a law, and that is that in many instances it adopts the principle, rarely permitted in any revenue system, on whatever theory constructed, by which the finished product is made free from duty, and the raw material and the machinery necessary for its production are kept on the dutiable list. Even the most extreme free trader, or advocate of tariff for revenue only, has never before sought an adjustment of the duties which subjects the manufacturer to a burden in his manufacture by imposing a duty on the machinery and raw material he uses, and involves him in unrestricted foreign competition as to the finished product. This is true with reference to leather and shoes, with reference to material for bagging, with reference to cotton ties, and wire for baling and for fencing, and indeed for the agricultural implements included in the catch-all clause to which I have referred.

A third objection to the bill is that, without in fact reducing the price to the consumer of the articles admitted free in a number of the paragraphs, it gives an advantage to Canada, our neighbor on the north, which by withholding we might well use in the future to secure further concessions for us in the reciprocity agreement, which the present Congress has requested me to expand.

Let me give the instances: Agricultural implements specifically mentioned in the bill are shown by a report of the Bureau of Trade Relations of the State Department to be cheaper in this country than anywhere in the world. This is confirmed by the fact that under existing law all countries admitting our agricultural implements free can have free access to our markets for the same articles. Great Britain is the only country whose present laws entitle her to this privilege, and which exports such articles in great quantity and yet she exports practically none to this country. We urged Canada to consent to free trade in these articles in the reciprocity agreement, but she declined. Now it is proposed to give her free trade in them while she retains a duty of 15 per cent ad valorem on our agricultural implements. To admit her manufactures will not lower our prices, but it is giving her access to our markets for nothing, while we might use this privilege to secure some concession from her.

The same thing is true of that part of the present bill in which meat and flour are put on the free list for countries with whom we have a reciprocal agreement, and which receive free our agricultural products. This limits the admission of free meat and flour to Canada only. Meat in Canada and flour in Canada are as high as they are in the United States, and in many instances higher. We asked to have free trade in these two articles under the reciprocity agreement, but Canada declined, for the reason that she feared the effect of the competition of our meat packers and our flour mills with her packers and millers.

Now it is proposed to open this market to the Canadian packers and millers without our having access to the Canadian market. Such action will not reduce the price of meat or flour in this country. That is shown by the fact that they were afraid of our competition. In normal times their importations will have no effect on our markets, and hence the admission from Canada of meat and flour will be of practically no benefit to the consumer, but will offer an inducement to capitalists thinking of building mills or packing houses to put them on the Canadian side of the border where they can have the advantage of both markets free. This is another instance in which the bill takes away from the President, in dealing with the matter of reciprocity, something that he might use in a trade to induce further reciprocity.

Another instance is in reference to the more finished kinds of lumber. Under our reciprocity agreement, rough lumber enters both countries free. Canada imposes 25 per cent duty on the more finished article, and we impose a duty of a different amount. If, now, we take off all duty on the finished product, we are giving her our market in this lumber for nothing, while we do not secure the benefit of hers; and we give to her Provinces a very strong motive for imposing restrictions and limitations on the cutting and export of rough lumber to this country in order to induce the transfer of the whole lumber manufacturing industry to Canada.

I withhold my approval from this bill, therefore, for the reasons, first, because it should not be considered until the Tariff Board shall make report upon the schedules it affects; second, because the bill is so loosely drawn as to involve the Government in endless litigation and to leave the commercial community in disastrous doubt; third, because it places the finished product on the free list, but retains on the dutiable list the raw material and the machinery with which such finished product is made, and thus puts at a needless disadvantage our American manufacturers; and fourth, that while purporting, by putting agricultural implements, meat, and flour on the free list, to reduce their price to the consumers, it does not do so, but only gives to Canada valuable concessions which might be used by the Executive to expand reciprocity with that country in accordance with the direction of Congress.

WILLIAM H. TAFT.

SPECIAL MESSAGE.

[Regarding salvage of wrecks of Spanish battleships in Cuban waters.]

THE WHITE HOUSE, *August 21, 1911.*

To the Senate and House of Representatives:

I transmit herewith a report by the Acting Secretary of State concerning the ownership of the wrecks of the Spanish vessels which were destroyed by the American fleet off Santiago de Cuba.

It appears that a Norwegian company has applied to the Cuban Government for permission to raise these wrecks and that before considering the proposition the Cuban Government desires to receive the views of the United States in regard thereto.

The Navy Department has no objection to the proposed salvage operations, but the Department of State holds the view that these wrecks are public property of the United States, which may be alienated only by an act of Congress or by a convention having the force of law.

The matter is therefore submitted to the Congress in accordance with the recommendation of the Acting Secretary of State, with a view to its considering whether the President shall be authorized to relinquish to Cuba all right and claim of right of the United States to these wrecks.

WILLIAM H. TAFT.

SPECIAL MESSAGE.

[Recommending appropriation for prosecution of work of removing the wreck of the *Maine*.]

THE WHITE HOUSE, *August 21, 1911*.

To the Senate and House of Representatives:

On July 26, 1911, there was transmitted to the Congress by my direction a report by the Acting Chief of Engineers, inclosing a report of the board charged " with the work of raising or removal of the wreck of the battleship *Maine* in Habana Harbor." Since that date the Secretary of War, at my request, has visited Habana Harbor and personally inspected the wreck, and has reported to me the result of his inspection and conference with the said board of engineers in charge in Habana. I transmit herewith his report, with the accompanying documents.

I concur fully in the conclusions which the Secretary of War has reached and in the recommendations which he makes in respect of an additional appropriation for this work in order that nothing may remain undone to enable the world to know the original cause of the explosion of the *Maine*. Of course if it shall turn out that the most thorough excavation will not disclose the cause we must be content, but as long as there remains unexcavated any portion of the mud and débris within the wreck or its neighborhood from which evidence may be had of the original cause of the disaster, we shall be derelict in our duty in not prosecuting a further search. The issue is not now whether we ought originally to have begun this investigation, but it is whether, having expended a very large part of the necessary amount to do the full work, we ought to break it off for lack of a comparatively small additional appropriation.

I earnestly hope that Congress will take immediate action in this regard, as recommended by the Secretary of War.

WILLIAM H. TAFT.

VETO MESSAGE.

[Returning without approval an act reducing the duties on cotton manufactures, chemicals, oils, paints and metals.]

THE WHITE HOUSE, *August 22, 1911.*

To the House of Representatives:

I return, without my approval, H. R. 12812, entitled "An act to reduce the duties on manufactures of cotton."

Though its title mentions only manufactures of cotton, the bill in fact changes also all the duties imposed under Schedule A of the Payne Act upon chemicals, oils, and paints, and under Schedule C upon metals and manufactures of metals.

My objection to the cotton schedule is that it was adopted without any investigation or information of a satisfactory character as to the effect which it will have upon an industry of this country in which the capital invested amounted in 1909 to $821,000,000; the value of the product to $629,000,000; the number of wage earners to 379,000, making, with dependents, a total of at least 1,200,000 persons affected; and the wages paid annually amounted to $146,000,000. The bill would not go into effect by its terms until January 1 next, and before that time a full report to be submitted to Congress by the Tariff Board, based upon the most thorough investigation, will show the comparative cost of all the elements of production in the manufacture of cotton in this and other countries. The investigation by the Committee on Ways and Means of the House did not cover the facts showing this comparative cost, for the reason that the committee was preparing a bill on a tariff for revenue basis and their view of a proper tariff was avowedly at variance with the theory of protection. Pledged to support a policy of moderate protection, I can not approve a measure which violates its principle.

Coming now to the amendments to Schedules A and C, I have examined the records of Congress for the purpose of informing myself as to the facts and arguments which in the opinion of Congress make these changes in the law expedient. I find that there was practically no consideration of either schedule by any committee of either House. There was no report of any committee explaining or stating the basis of the proposed amendments. There were no facts presented to either House in which I can find material upon which to form any judgment as to the effect of the amendments either upon American industries or upon the revenues of the Government. The revisions of Schedules A and C were contained in amendments offered upon the floor of the Senate, were never referred to any committee, and were disposed of without any attempt to adjust the details or to furnish the basis of fact for adjusting the details of the different paragraphs to the great number or variety of industries to be affected, with a view to any degree of protection whatever, however moderate. I can not make myself a party to dealing with the industries of the country in this way.

The industries covered by metals and the manufacture of metals are the largest in the country, and it would seem not only wise but absolutely essential to acquire accurate information as to the effect of changes which may vitally affect these industries before enacting them into law.

The haste in the preparation of the bill is apparent in many of its pages. Section 3 of the bill reads as follows:

> SEC. 3. That on and after the day when this act shall go into effect all goods, wares, and merchandise previously imported and hereinbefore enumerated, described, and provided for, for which no entry has been made, and all such goods, wares, and merchandise previously entered without payment of duty and under bond for warehousing, transportation, or any other purpose, for which no permit of delivery to the importer or his agent has been issued, shall be subjected to no other duty upon the entry or withdrawal thereof than the duty which would be imposed if such goods, wares, or merchandise were imported on or after that date: *Provided, however*, That if the duties above provided to be collected and paid shall, as to any article or articles, be greater than that provided to be paid by the present existing law, less thirty per centum, then in every such case the duty or duties which are hereby levied and which shall be collected and paid on said article or articles shall be a sum equal to the duties provided to be levied, collected, and paid by the present existing law less thirty per centum and not greater.

The first part of section 3, without the proviso, was original section 2 of the bill when it affected only the cotton schedule. It is now placed in the bill after the amendments to the chemical schedule. The proviso was added in the Senate. The proviso was doubtless intended to make certain that the duties in the preceding cotton and chemical schedules were all to be 30 per cent less than the rates fixed in the present law. But this can not be. The proviso is so placed in section 3 that it has no operation except upon the rates to be charged on articles described in the first half of section 3—that is, on the goods already entered or in bond or transportation and which have not paid duty. This would give, over all chemicals now in bond not taken out before the law goes into effect, the benefit of a greater reduction by 5 per cent than would be afforded to chemicals imported after the passage of the act. The result is an inevitable construction and in its manifest error is not out of keeping with some of the other features of the bill to which I am now about to refer.

Even if the proviso effects the purpose evidently intended by the authors of limiting the rates of the whole cotton and chemical schedules, it is legislation of the crudest character, for two reasons: It imposes on customs officers in every entry under those schedules the burden of transmuting the specific rates of the Payne Act to ad valorem rates under the proposed bill, a process which is most difficult and liable to error; secondly, it imposes a duty of 5 per cent less than the duty intended in the whole of the preceding chemical schedule, and furnishes a unique instance in tariff legislation of imposing two different rates of duties on the same articles in succeeding paragraphs of the same bill.

The empirical and haphazard character of this bill is shown more clearly perhaps in the amendment to Schedule A than in any other. The only explanation of it was made when introduced as an amendment. It was then said to be a horizontal reduction of the existing chemical schedule by one-fourth or 25 per cent of the present duties. It was said that the specific duties in the existing law had been transmuted into their equivalent ad valorem and that the result had been reduced by 25 per cent. The method used in reaching this equivalent was quite inaccurate, as is shown by actual inquiry as to the real market price of each article. An examination made by an expert chemist of the Tariff Board into certain paragraphs of the schedule and verified by customs experts of the Treasury Department shows discrepancies in the alleged 25 per cent reduction of rates and gives ground for believing that if time permitted, a close and careful analysis of all the paragraphs would show many others. Instead of a horizontal reduction of 25 per cent this examination shows that the reductions made by the amendment in some paragraphs are much greater than 25 per cent and that in others the change is a substantial increase instead of a reduction of the present duties.

Thus boracic acid is dutiable under the present law at 3 cents per pound. The amendment imposes a duty of 60 per cent ad valorem. At the foreign price of 6 to 6½ cents per pound the amended rate would be from 3.6 to 3.9 cents per pound, or an actual increase in the duty under the present law of from 20 to 30 per cent. Tartaric acid under the amendment has a duty of 4 per cent higher than that of existing law. Alum under the amendment has a rate of 10 per cent higher than existing law. Bleaching powder has a rate under the amendment that is 30 per cent higher than the existing rate. Zinc oxide has an increase of rate in the amendment of 95 per cent over that of existing law. On the other hand, we find in other cases a greater reduction than the proposed 25 per cent. Thus borax is given a rate in the amendment which is a reduction of 80 per cent below the existing rate, while commercial chloroform in the amendment has a reduction of 90 per cent from the present rate. Hydrate, or caustic soda, is given a rate in the amendment which is a 50 per cent reduction from the present rate. A curious result appears in the rate fixed for alumina hydrate containing less than 64 per cent of alumina, and the same containing more of alumina. The latter is a finished product as compared with the former, but the latter in the amendment is given a duty of only 5 per cent, while the raw and unfinished product has a rate of 15 per cent ad valorem.

These are some of the typical inconsistencies and instances of haste in preparation and of the error of calculation in the proposed sweeping horizontal reduction of a most important schedule in the tariff. The 85 paragraphs of Schedule A do not refer to the various manufactured forms of one or more materials. Each paragraph relates to a different subject, the duty on which, both with reference to its revenue-producing capacity and with reference to its protecting effect upon an industry of this country, ought to be determined by separate examination, and the taking of careful evidence of experts, because the subject is peculiarly one for experts. The figures I have given show that the method pursued in making what was thought to be a reduction of 25 per cent would, if it became the law, produce the greatest confusion in respect to the whole chemical schedule.

But the most remarkable feature of this amendment to the chemical schedule remains to be stated. The internal revenues of this country to the extent of $160,000,000 are dependent on the imposition of a tax of $1.20 a gallon on distilled spirits at 100 degrees proof, which is a liquid consisting of 50 per cent absolute alcohol and 50 per cent water. The intrinsic cost of spirits of this proof varies from 10 to 20 cents a gallon, so that the enormous tax as compared with the intrinsic value of the article furnishes a motive for fraud and evasion of the laws stronger than in the case of any commodity within the range of Federal taxation. It has therefore been necessary in all customs legislation to protect the internal-revenue system against the introduction from foreign countries of alcohol in any form and in association with any other article except upon the payment of such a customs duty as shall make it unprofitable to import the alcohol into this country to be used in competition with alcohol or distilled spirits of domestic manufacture. The customs duty on a proof gallon of alcohol is $2.25. The care and anxious concern with which Congress has heretofore guarded against the introduction of alcohol in any form without the payment of sufficient duty to prevent its interfering with our domestic production and the payment of the internal tax may be seen in at least ten paragraphs of the chemical schedule of the Payne law and previous enactments:

Thus, in paragraph 2 of the existing law it is provided that vegetable, animal, or mineral objects, immersed or placed in or saturated with alcohol shall have a duty of 60 cents per pound and 25 per centum ad valorem, and the same duty is imposed in that paragraph on alcoholic compounds not specially provided for. Sixty cents a pound is equivalent to 60 cents a pint of the alcohol or distilled spirits used at proof, and this is equivalent to $4.80 a gallon for alcohol, which of course prevents its importation for any purpose other than as specified in the paragraph.

Again, in paragraph 3, chemical compounds containing alcohol and chemical mixtures containing alcohol have a duty of 55 cents per pound, which would protect the domestic alcohol by a duty of $4.40 a gallon.

The same thing is true in paragraph 65, covering medicinal preparations containing alcohol, or any preparations in which alcohol is used. These have a duty of 55 cents per pound, which would impose a duty on the alcohol used of at least $4.40 a gallon.

Again, on perfumes, including cologne and other toilet waters containing alcohol or in the preparation of which alcohol is used, there is a duty of 60 cents per pound and 50 per cent ad valorem, by which the domestic alcohol used in American-made perfumes is protected by a tax of $4.80.

Under the present bill, all these precautions against the undue introduction of foreign alcohol in articles and compounds included in the chemical schedule are in fact abolished by striking out the specific duties per pound. Thus in paragraph 2, the specific duty per pound is stricken out and the whole rate is fixed at 50 per cent ad valorem. In paragraph 3, there is a similar change; in paragraph 65, the change is to 45 per cent ad valorem; and in paragraph 69, to 60 and 50 per cent ad valorem. With alcohol at a foreign cost of 20 cents a gallon, this would make the tax, so far as the alcohol is concerned in paragraph 2, 10 cents a gallon; in paragraph 3, 8 cents a gallon; in paragraph 65, 9 cents a gallon; and in paragraph 69, from 10 to 12 cents a gallon. That is, the alcohol thus introduced would pay under this chemical schedule from 8 to 12 cents a gallon duty instead of $1.20 a gallon as imposed by our internal-revenue system, or $2.25 a gallon as imposed by our customs laws upon the introduction of proof alcohol, or the higher rates as fixed in the existing chemical schedule. Alcohol is also used in the manufacture of collodion and fruit ethers, and under the existing law the invasion of our internal-revenue system is here also prevented by the imposition of high rates per pound as the equivalent of the internal-revenue tax. By this amendment the compensatory duties for the high domestic tax on alcohol in collodion and ether is abolished and if the bill passed, the domestic manufacturer would pay $1.40 a gallon for his alcohol while his importing competitor would pay but 30 cents.

I need hardly dwell on the disastrous effect such an amendment in reference to alcoholic compounds would have upon the internal-revenue system of taxing distilled spirits nor need I point out the opportunities of evasion and fraud thus presented. Of course the change was not intended, but if this bill became law, it would be made.

This bill thus illustrates and enforces the views which I have already expressed in vetoing the wool bill and the so-called free-list bill, as to the paramount importance of securing, through the investigation and reports of the Tariff Board, a definite and certain basis of ascertained fact for the consideration of tariff laws. When the reports of the Tariff Board upon these schedules are received, the duties which should be imposed can be determined upon justly, and with intelligent appreciation of the effect that they will have both upon industry and upon revenue. Very likely some of the changes in this bill will prove to be desirable and some to be undesirable. So far as they turn out to be just and reasonable I shall be glad to approve them, but at present the proposed legislation appears to be all a matter of guesswork. The important thing is to get our tariff legislation out of the slough of guesswork and logrolling and ex parte statements of interested persons, and to establish that legislation on the basis of tested and determined facts, to which shall be applied, fairly and openly, whatever tariff principle the people of the country choose to adopt.

WILLIAM H. TAFT.

VETO MESSAGE.

[Returning without approval a joint resolution for the admission of the Territories of New Mexico and Arizona into the Union as States.]

THE WHITE HOUSE, *August 22, 1911.*

To the House of Representatives:

I return herewith, without my approval, House joint resolution No. 14, " To admit the Territories of New Mexico and Arizona as States into the Union on an equal footing with the original States."

Congress, by an enabling act approved June 20, 1910, provided for the calling of a constitutional convention in each of these Territories, the submission of the constitution proposed by the convention to the electors of the Territory, the approval of the constitution by the President and Congress, the proclamation of the fact by the President, and the election of State officers. Both in Arizona and New Mexico conventions have been held, constitutions adopted and ratified by the people and submitted to the President and Congress. I have approved the constitution of New Mexico, and so did the House of Representatives of the Sixty-first Congress. The Senate, however, failed to take action upon it. I have not approved the Arizona constitution, nor have the two Houses of Congress, except as they have done so by the joint resolution under consideration. The resolution admits both Territories to statehood with their constitutions, on condition that at the time of the election of State officers New Mexico shall submit to its electors an amendment to its new constitution altering and modifying its provision for future amendments, and on the further condition that Arizona shall submit to its electors, at the time of the election of its State officers, a proposed amendment to its constitution by which judicial officers shall be excepted from the section permitting a recall of all elective officers.

If I sign this joint resolution, I do not see how I can escape responsibility for the judicial recall of the Arizona constitution. The joint resolution admits Arizona with the judicial recall, but requires the submission of the question of its wisdom to the voters. In other words, the resolution approves the admission of Arizona with the judicial recall, unless the voters themselves repudiate it. Under the Arizona constitution all elective officers, and this includes county and State judges, six months after their election are subject to the recall. It is initiated by a petition signed by electors equal to 25 per cent of the total number of votes cast for all the candidates for the office at the previous general election. Within five days after the petition is filed the officer may resign. Whether he does or not, an election ensues in which his name, if he does not resign, is placed on the ballot with that of all other candidates. The petitioners may print on the official ballot 200 words showing their reasons for recalling the officer, and he is permitted to make defense in the same place in 200 words. If the incumbent receives the highest number of the votes, he continues in his office; if not, he is removed from office and is succeeded by the candidate who does receive the highest number.

This provision of the Arizona constitution, in its application to county and State judges, seems to me so pernicious in its effect, so destructive of independence in the judiciary, so likely to subject the rights of the individual to the possible tyranny of a popular majority, and, therefore, to be so injurious to the cause of free government, that I must disapprove a constitution containing it. I am not now engaged in performing the office given me in the enabling act already referred to, approved June 20, 1910, which was that of approving the constitutions ratified by the peoples of the Territories. It may be argued from the text of that act that in giving or withholding the approval under the act my only duty is to examine the proposed constitution, and if I find nothing in it inconsistent with the Federal Constitution, the principles of the Declaration of Independence, or the enabling act, to register my approval.

But now I am discharging my constitutional function in respect to the enactment of laws, and my discretion is equal to that of the Houses of Congress. I must therefore withhold my approval from this resolution if in fact I do not approve it as a matter of governmental policy. Of course, a mere difference of opinion as to the wisdom of details in a State constitution ought not to lead me to set up my opinion against that of the people of the Territory. It is to be their government, and while the power of Congress to withhold or grant statehood is absolute, the people about to constitute a State should generally know better the kind of government and constitution suited to their needs than Congress or the Executive. But when such a constitution contains something so destructive of free government as the judicial recall, it should be disapproved.

A government is for the benefit of all the people. We believe that this benefit is best accomplished by popular government, because in the long run each class of individuals is apt to secure better provision for themselves through their own voice in government than through the altruistic interest of others, however intelligent or philanthropic. The wisdom of ages has taught that no government can exist except in accordance with laws and unless the people under it either obey the laws voluntarily or are made to obey them. In a popular government the laws are made by the people—not by all the people—but by those supposed and declared to be competent for the purpose, as males over 21 years of age, and not by all of these—but by a majority of them only. Now, as the government is for all the people, and is not solely for a majority of them, the majority in exercising control either directly or through its agents is bound to exercise the power for the benefit of the minority as well as the majority. But all have recognized that the majority of a people, unrestrained by law, when aroused and without the sobering effect of deliberation and discussion, may do injustice to the minority or to the individual when the selfish interest of the majority prompts. Hence arises the necessity for a constitution by which the will of the majority shall be permitted to guide the course of the government only under controlling checks that experience has shown to be necessary to secure for the minority its share of the benefit to the whole people that a popular government is established to bestow. A popular government is not a government of a majority, by a majority, for a majority of the people. It is a government of the whole people, by a majority of the whole people under such rules and checks as will secure a wise, just, and beneficent government for all the people. It is said you can always trust the people to do justice. If that means all the people and they all agree, you can. But ordinarily they do not all agree, and the maxim is interpreted to mean that you can always trust a majority of the people. This is not invariably true; and every limitation imposed by the people upon the power of the majority in their constitutions is an admission that it is not always true. No honest, clear-headed man, however great a lover of popular government, can deny that the unbridled expression of the majority of a community converted hastily into law or action would sometimes make a government tyrannical and cruel. Constitutions are checks upon the hasty action of the majority. They are the self-imposed restraints of a whole people upon a majority of them to secure sober action and a respect for the rights of the minority, and of the individual in his relation to other individuals, and in his relation to the whole people in their character as a state or government.

The Constitution distributes the functions of government into three branches—the legislative, to make the laws; the executive, to execute them; and the judicial, to decide in cases arising before it the rights of the individual as between him and others and as between him and the Government. This division of government into three separate branches has always been regarded as a great security for the maintenance of free institutions, and the security is only firm and assured when the judicial branch is independent and impartial. The executive and legislative branches are representative of the majority of the people which elected them in guiding the course of the Government within the limits of the Constitution. They must act for the whole people, of course; but they may properly follow, and usually ought to follow, the views of the majority which elected them in respect to the governmental policy best adapted to secure the welfare of the whole people. But the judicial branch of the Government is not representative of a majority of the people in any such sense, even if the mode of selecting the judges is by popular election. In a proper sense, judges are servants of the people; that is, they are doing work which must be done for the Government and in the interest of all the people, but it is not work in the doing of which they are to follow the will of the majority except as that is embodied in statutes lawfully enacted according to constitutional limitations. They are not popular representatives. On the contrary, to fill their office properly, they must be independent. They must decide every question which comes before them according to law and justice. If this question is between individuals, they will follow the statute, or the unwritten law if no statute applies, and they take the unwritten law growing out of tradition and custom from previous judicial decisions. If a statute or ordinance affecting a cause before them is not lawfully enacted, because it violates the constitution adopted by the people, then they must ignore the statute and decide the question as if the statute had never been passed. This power is a judicial power imposed by the people on the judges by the written constitution. In early days some argued that the obligations of the Constitution operated directly on the conscience of the legislature, and only in that manner, and that it was to be conclusively presumed that whatever was done by the legislature was constitutional. But such a view did not obtain with our hard-headed, courageous, and far-sighted statesmen and judges, and it was soon settled that it was the duty of judges in cases properly arising before them to apply the law and so to declare what was the law, and that if what purported to be statutory law was at variance with the fundamental law, i. e., the Constitution, the seeming statute was not law at all, was not binding on the courts, the individuals, or any branch of the Government, and that it was the duty of the judges so to decide. This power conferred on the judiciary in our form of government is unique in the history of governments, and its operation has attracted and deserved the admiration and commendation of the world. It gives to our judiciary a position higher, stronger, and more responsible than that of the judiciary of any other country, and more effectively secures adherence to the fundamental will of the people.

What I have said has been to little purpose if it has not shown that judges to fulfill their functions properly in our popular Government must be more independent than in any other form of government, and that need of independence is greater where the individual is one litigant and the State, guided by the successful and governing majority, is the other. In order to maintain the rights of the minority and the individual and to preserve our constitutional balance we must have judges with courage to decide against the majority when justice and law require.

By the recall in the Arizona constitution it is proposed to give to the majority power to remove arbitrarily, and without delay, any judge who may have the courage to render an unpopular decision. By the recall it is proposed to enable a minority of 25 per cent of the voters of the district or State, for no prescribed cause, after the judge has been in office six months, to submit the question of his retention in office to the electorate. The petitioning minority must say on the ballot what they can against him in 200 words, and he must defend as best he can in the same space. Other candidates are permitted to present themselves and have their names printed on the ballot, so that the recall is not based solely on the record or the acts of the judge, but also on the question whether some other and more popular candidate has been found to unseat him. Could there be a system more ingeniously devised to subject judges to momentary gusts of popular passion than this? We can not be blind to the fact that often an intelligent and respectable electorate may be so roused upon an issue that it will visit with condemnation the decision of a just judge, though exactly in accord with the law governing the case, merely because it affects unfavorably their contest. Controversies over elections, labor troubles, racial or religious issues, issues as to the construction or constitutionality of liquor laws, criminal trials of popular or unpopular defendants, the removal of county seats, suits by individuals to maintain their constitutional rights in obstruction of some popular improvement—these and many other cases could be cited in which a majority of a district electorate would be tempted by hasty anger to recall a conscientious judge if the opportunity were open all the time. No period of delay is interposed for the abatement of popular feeling. The recall is devised to encourage quick action, and to lead the people to strike while the iron is hot. The judge is treated as the instrument and servant of a majority of the people and subject to their momentary will, not after a long term in which his qualities as a judge and his character as a man have been subjected to a test of all the varieties of judicial work and duty so as to furnish a proper means of measuring his fitness for continuance in another term. On the instant of an unpopular ruling, while the spirit of protest has not had time to cool and even while an appeal may be pending from his ruling in which he may be sustained, he is to be haled before the electorate as a tribunal, with no judicial hearing, evidence, or defense, and thrown out of office, and disgraced for life because he has failed, in a single decision, it may be, to satisfy the popular demand. Think of the opportunity such a system would give to unscrupulous political bosses in control, as they have been in control not only of conventions but elections! Think of the enormous power for evil given to the sensational, muckraking portion of the press in rousing prejudice against a just judge by false charges and insinuations, the effect of which in the short period of an election by recall it would be impossible for him to meet and offset! Supporters of such a system seem to think that it will work only in the interest of the poor, the humble, the weak and the oppressed; that it will strike down only the judge who is supposed to favor corporations and be affected by the corrupting influence of the rich. Nothing could be further from the ultimate result. The motive it would offer to unscrupulous combinations to seek to control politics in order to control judges is clear. Those would profit by the recall who have the best opportunity of rousing the majority of the people to action on a sudden impulse. Are they likely to be the wisest or the best people in a community? Do they not include those who have money enough to employ the firebrands and slanderers in a community and the stirrers-up of social hate? Would not self-respecting men well hesitate to accept judicial office with such a sword of Damocles hanging over them? What kind of judgments might those on the unpopular side expect from courts whose judges must make their decisions under such legalized terrorism? The character of the judges would deteriorate to that of trimmers and time-servers, and independent judicial action would be a thing of the past. As the possibilities of such a system pass in review, is it too much to characterize it as one which will destroy the judiciary, its standing, and its usefulness?

The argument has been made to justify the judicial recall that it is only carrying out the principle of the election of the judges by the people. The appointment by the executive is by the representative of the majority, and so far as future bias is concerned there is no great difference between the appointment and the election of judges. The independence of the judiciary is secured rather by a fixed term and fixed and irreducible salary. It is true that when the term of judges is for a limited number of years and reelection is necessary, it has been thought and charged sometimes that shortly before election in cases in which popular interest is excited, judges have leaned in their decisions toward the popular side.

As already pointed out, however, in the election of judges for a long and fixed term of years, the fear of popular prejudice as a motive for unjust decisions is minimized by the tenure on the one hand, while the opportunity which the people have calmly to consider the work of a judge for a full term of years in deciding as to his reelection generally insures from them a fair and reasonable consideration of his qualities as a judge. While, therefore, there have been elected judges who have bowed before unjust popular prejudice, or who have yielded to the power of political bosses in their decisions, I am convinced that these are exceptional, and that, on the whole, elected judges have made a great American judiciary. But the success of an elective judiciary certainly furnishes no reason for so changing the system as to take away the very safeguards which have made it successful.

Attempt is made to defend the principle of judicial recall by reference to States in which judges are said to have shown themselves to be under corrupt corporate influence and in which it is claimed that nothing but a desperate remedy will suffice. If the political control in such States is sufficiently wrested from corrupting corporations to permit the enactment of a radical constitutional amendment like that of judicial recall, it would seem possible to make provision in its stead for an effective remedy by impeachment in which the cumbrous features of the present remedy might be avoided, but the opportunity for judicial hearing and defense before an impartial tribunal might be retained. Real reforms are not to be effected by patent short cuts or by abolishing those requirements which the experience of ages has shown to be essential in dealing justly with everyone. Such innovations are certain in the long run to plague the inventor or first user and will come readily to the hand of the enemies and corrupters of society after the passing of the just popular indignation that prompted their adoption.

Again judicial recall is advocated on the ground that it will bring the judges more into sympathy with the popular will and the progress of ideas among the people. It is said that now judges are out of touch with the movement toward a wider democracy and a greater control of governmental agencies in the interest and for the benefit of the people. The righteous and just course for a judge to pursue is ordinarily fixed by statute or clear principles of law, and the cases in which his judgment may be affected by his political, economic, or social views are infrequent. But even in such cases, judges are not removed from the people's influence. Surround the judiciary with all the safeguards possible, create judges by appointment, make their tenure for life, forbid diminution of salary during their term, and still it is impossible to prevent the influence of popular opinion from coloring judgments in the long run. Judges are men, intelligent, sympathetic men, patriotic men, and in those fields of the law in which the personal equation unavoidably plays a part, there will be found a response to sober popular opinion as it changes to meet the exigency of social, political, and economic changes. Indeed this should be so. Individual instances of a hidebound and retrograde conservatism on the part of courts in decisions which turn on the individual economic or sociological views of the judges may be pointed out; but they are not many, and do not call for radical action. In treating of courts we are dealing with a human machine, liable like all the inventions of man to err, but we are dealing with a human institution that likens itself to a divine institution because it seeks and preserves justice. It has been the corner stone of our gloriously free government in which the rights of the individual and of the minority have been preserved, while governmental action of the majority has lost nothing of beneficent progress, efficacy, and directness. This balance was planned in the Constitution by its framers and has been maintained by our independent judiciary.

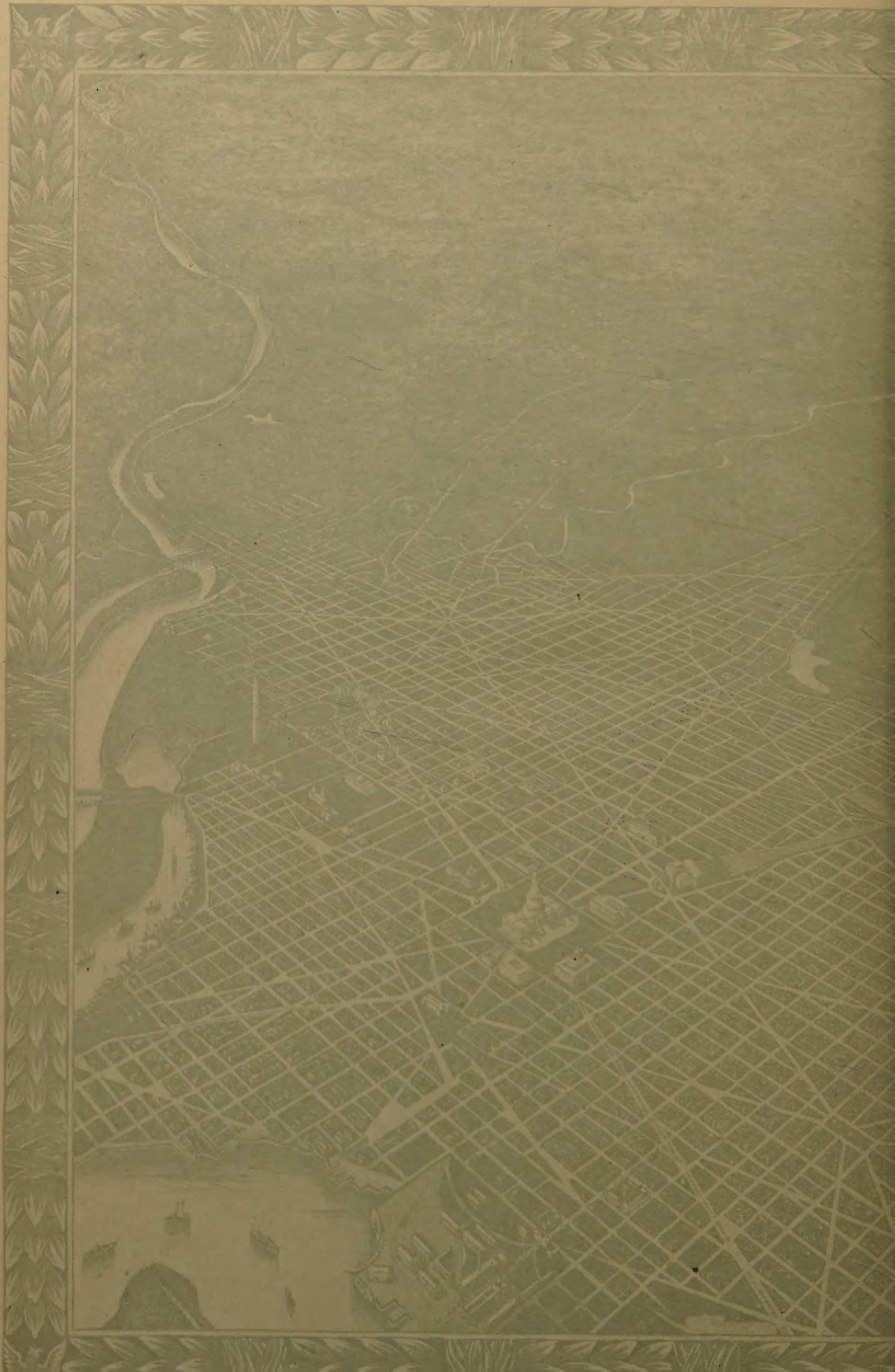
Precedents are cited from State constitutions said to be equivalent to a popular recall. In some, judges are removable by a vote of both houses of the legislature. This is a mere adoption of the English address of Parliament to the Crown for the removal of judges. It is similar to impeachment in that a form of hearing is always granted. Such a provision forms no precedent for a popular recall without adequate hearing and defense, and with new candidates to contest the election.

It is said the recall will be rarely used. If so, it will be rarely needed. Then why adopt a system so full of danger? But it is a mistake to suppose that such a powerful lever for influencing judicial decisions and such an opportunity for vengeance because of adverse ones will be allowed to remain unused.

But it is said that the people of Arizona are to become an independent State when created, and even if we strike out judicial recall now, they can reincorporate it in their constitution after statehood.

To this I would answer that in dealing with the courts, which are the corner stone of good government, and in which not only the voters, but the nonvoters and nonresidents, have a deep interest as a security for their rights of life, liberty, and property, no matter what the future action of the State may be, it is necessary for the authority which is primarily responsible for its creation to assert in no doubtful tones the necessity for an independent and untrammeled judiciary.

WILLIAM H. TAFT.



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